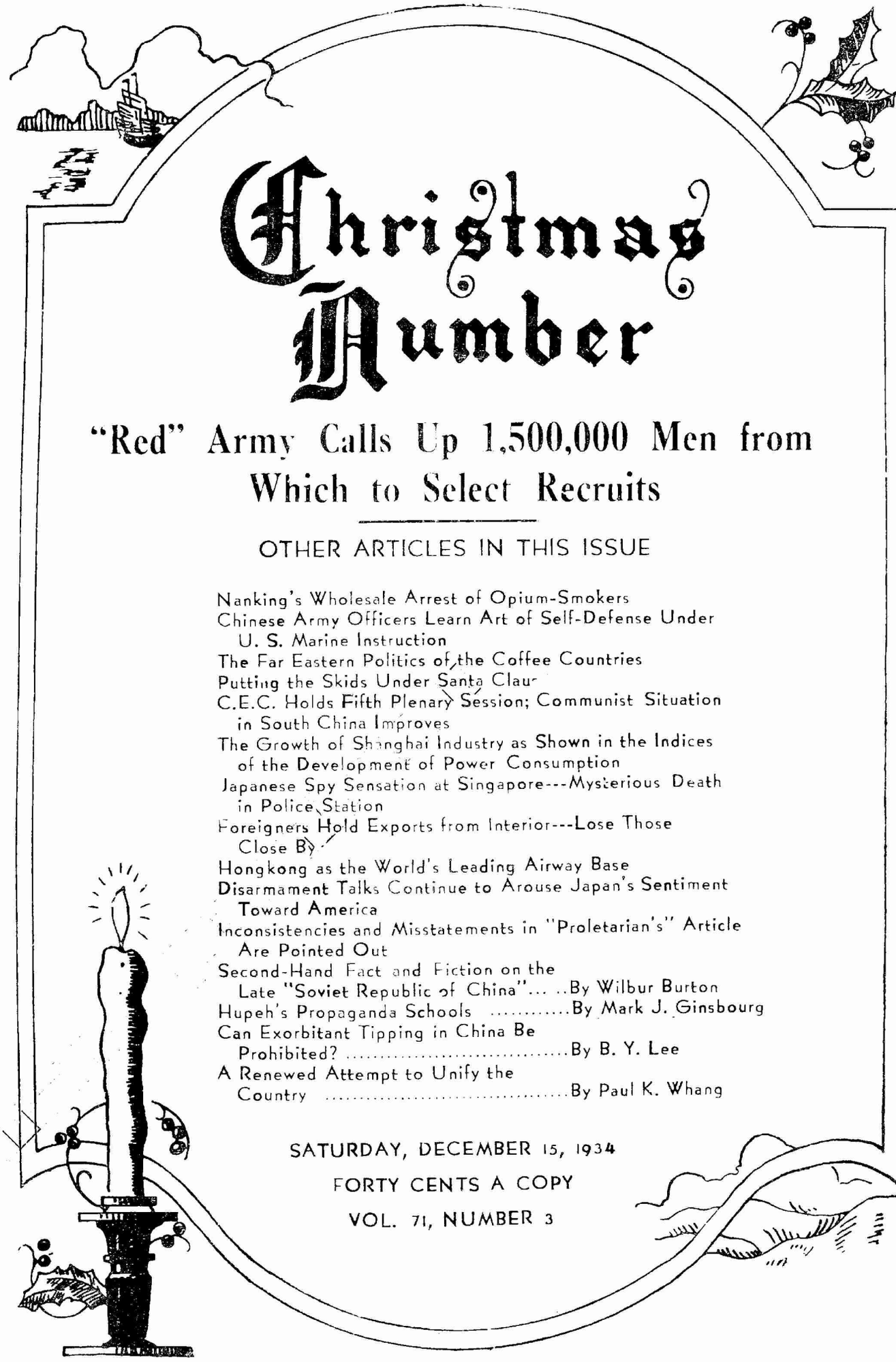
THE CHINA WEEKLY REVIEW



Christmas Number

"Red" Army Calls Up 1,500,000 Men from Which to Select Recruits

OTHER ARTICLES IN THIS ISSUE

Nanking's Wholesale Arrest of Opium-Smokers
Chinese Army Officers Learn Art of Self-Defense Under U. S. Marine Instruction
The Far Eastern Politics of the Coffee Countries
Putting the Skids Under Santa Claus
C.E.C. Holds Fifth Plenary Session; Communist Situation in South China Improves
The Growth of Shanghai Industry as Shown in the Indices of the Development of Power Consumption
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Can Exorbitant Tipping in China Be Prohibited? .....By B. Y. Lee
A Renewed Attempt to Unify the Country .....By Paul K. Whang

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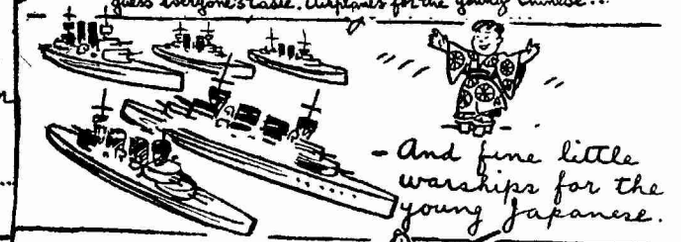

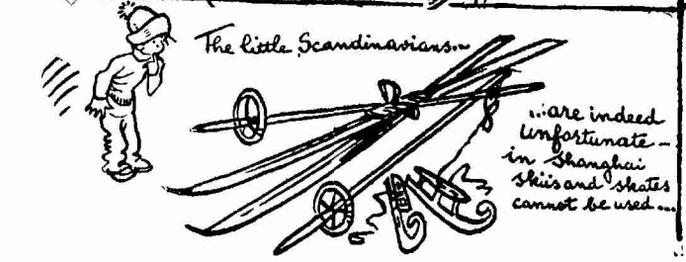

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The China Weekly REVIEW

Formely Millard's Review

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PUTTING THE SKIDS UNDER SANTA CLAUS

WE are living in a commercial age, and are probably no better off for it. Everything is speeded up. The *China Weekly Review*, in common with most local journals, is publishing a special Christmas issue this week. In the ordinary course it should appear next week, but judged by the schedule of one Shanghai daily newspaper (British) we are not a week early, but a week late. Said daily published its "Christmas" edition already last Sunday. Reason for it all: Special advertisers get a better "run" for their money.

There never was a period in the world's history when the spirit of Christmas was more necessary than it is at the present time, although it is here *apropos* to remark that there is a considerable difference of opinion as to what that spirit is. The Christmas slogan that our grandparents learned read: "Peace on earth good will to men,"—which is a much broader platform than that which the Revised Version says is the correct translation of the original: "Peace on earth to *men of good will.*"

Christmas is at present observed by common consent throughout the world on December 25. But it had in the earlier centuries of the Christian era been observed on various other dates. The *Historic Note Book* notes that Christ's birth could not have coincided with the date now observed because the Biblical account states that the shepherds were in the fields watching their flocks by night and they would not be doing that in December. The evolution of the old Roman and heathen festivals into Christian festivals has been made the subject of serious study by various historians in past ages. A popular account of same is to be found in the immortal novel, "The Cloister and the Hearth," by Charles Reade, who puts into the mouth of an "advanced" priest a narration of many such incidents, for example, how old heathen temples were coverted into Christian churches—even the Venuses were repainted and transformed into Madonnas. But, no matter how it was evolved, the world is better for having a Christmas. The necessity for showing good will was never more impelling than at the present time.

FOREIGNERS HOLD EXPORTS FROM INTERIOR---LOSE THOSE CLOSE BY

PARADOXICAL as it may seem the indications are that the chances of foreign export houses in China surviving will be in proportion as the point of origin of the article in which they deal is farther from the final port of shipment, and this means to a large extent Shanghai. To take two prominent articles of export from China to illustrate the point: Wood oil and rush hats. Wood oil is produced almost exclusively in the upper Yangtsze region. Rush hats are produced almost entirely in the Ningpo region—a night's run by steamer from Shanghai. A decade or more ago this rush hat business was almost entirely in the hands of one French firm, and all efforts on the part of other foreign firms to lessen the grip of this French firm proved futile. These hats have a tremendous sale in the United States, but even for the American business it was this French firm that handled the business at this end, and not Americans. In recent years there has, however, been a distinct change. The French firm has to a large extent lost its grip—not to other foreign firms, but to Chinese firms. By far the larger part of this trade is now handled by Chinese houses who have established direct connections, thus cutting out the foreign middleman.

This is merely an example of how, eventually, Chinese firms, by establishing direct connections abroad, will be able to eliminate the foreign export houses almost entirely, as is the case in Japan. The two principal suppliers of raw silk in the world are Japan and China. The main difference to be noted in the export of the two countries is that by far the larger part of the silk exported from Japan is exported by Japanese houses, whereas by far the larger part of the silk exported from China is exported by foreign houses. The great ascendancy which Japanese silk has gained over Chinese silk in foreign markets is mainly due to other causes, but this matter of direct control has had a considerable influence in contributing to Japan's supremacy.

The rush hat business has been the first in which Chinese have been able to make direct connections abroad, because in handling this article there is not the large horde of middlemen (Chinese, of course) who want to make a profit on everything that passes through their hands—as the article is produced close to the point of shipment out of the country. Other articles which come from the interior will probably still remain in foreign hands for quite a few years, until the Chinese commercial system in the interior is improved. Under existing conditions, owing to the large number of persons through whom the shipments must pass, and the charges that are incidental to this handling, foreign firms, with a more efficient organization and dealing in large lots, are able to handle articles from the interior or at least export them to foreign countries, more cheaply than the Chinese can under existing conditions.

THE FAR EASTERN POLITICS OF THE COFFEE COUNTRIES

DR. Espinosa, the Vice President of Nicaragua, recently departed from China after having spent considerable time in this country and also in Japan. Before he left he remarked somewhat whimsically that it seemed that most of his time had been taken up with denying the correctness of various statements attributed to him. The most important denial that he enunciated was that he had stated in Japan that his country intended to recognize Manchukuo. The principal thing he denied as regards China was that he had concluded a treaty here. All of which leads us to say that we suppose Dr. Espinosa really had some object in mind in visiting the Far East, and our guess is something like this: Little San Salvador in recognizing Manchukuo had in mind that it would be able to trade off a good coffee business in Manchuria in return for its recognition. But San Salvador evidently has in the meantime found that it had "sold" itself too cheaply as the sales of coffee to Manchukuo have proved to be insignificant. However, Nicaragua also has coffee to sell; and we presume that one of the objects of Dr. Espinosa's visits was to find out what the prospects for the sale of coffee out here are. It is only natural that he should come to the conclusion that China offers the best field. Now what had his country to offer China in case China would give Nicaragua a "break" in coffee sales? Obviously what Nicaragua has to offer is a comparatively virgin country, which Chinese immigrants, if permitted to enter, could develop, not only with profit to themselves but with benefit to the country. Chinese immigrants have not been any too well treated in Latin American countries in recent years, and it is a natural assumption that the Nicaraguan Vice President has been throwing out feelers that his country would be willing to allow the immigration of a certain amount of Chinese laborers in exchange for special facilities for Nicaraguan coffee. An actual treaty on those lines would be somewhat difficult to implement under existing conditions, principally because the "most favored nation" clause precludes China from exercising freedom of action in fixing discriminatory duties. But, no doubt, the basis has been laid for such an exchange, and we may expect to hear more about it later on.

WESTINGHOUSE ELECTRIC REPRESENTATIVES ATTACHED FOR RENT

A reflex of the extremely depressed state of commercial life in Shanghai at the present time was to be seen during the week in the announcement that an attachment had been issued against Hugo Reiss & Co., Fed. Inc., U. S. A. at the instance of the Shanghai Land Investment Co., Ltd. because of unpaid rent in the sum of several thousand dollars. The attachment is not interfering with the daily conduct of the business and arrangements for payment are, we understand, being made. Hugo Reiss & Co. are local agents for the Westinghouse Electric International Co., the Swiss Locomative & Machine Works, the United States Electrical Tool Co., the Cleveland Pneumatic Tool Co. and a

number of other important firms in Europe and the United States. The company was founded by the late Hugo Reiss, who was for many years the Consul for Brazil. Previous to the foundation of his own company, Mr. Resss had been associated for a long period with the American firm of Andersen, Meyer & Co., Ltd., the latter having as its special agency the International General Electric Co. The latter firm likewise went through a strenuous financial crisis over a decade ago, but survived it, and it is to be hoped that the same may be said of Hugo Reiss & Co. Both these firms, whose main business is the furthering of American electrical and machinery business, were founded, and in the case of A. M. & Co., still directed, by men who are not Americans, but who many years ago had the vision to see that a good field lay ahead in the development of American machinery business. Had they not availed themselves of the opportunity, the business now handled by the General Electric Co. and the Westinghouse Electric Co. in China would undoubtedly long since haved passed into Japanese hands, either as suppliers or as agents.

BREAD RATIONING TO BE ABOLISHED IN RUSSIA

(Editorial Note in the Japan Chronicle, Dec. 2)

IT is interesting to learn that the bread ration is to be abolished in Russia, and the price fixed somewhere above the former ration price but below the free purchase price. Wages are to be intcreased in order to counteract this increase in ration price. This means that for the first time since the War every Russian can have as much bread as he likes. There may still be some who, owing to various circumstances, will still have to eat as little as they find they can get along with; but the removal of the rationing indicates that there is plenty to eat. That is the most important thing that has happened in Russia for some years. By the time clothing shows a similar plenitude, and the other necessaries of life are produced in unmistakable plenty, the Soviet Government will have to face the problem of oversupply, which the capitalist countries find insoluble. It is the chief absurdity of our present system that we can produce plenty but can find no means to enjoy it. If under the Communist system everybody can enjoy plenty, there will be a great commotion in other countries. If there are supplies far in excess of the consuming power of the Russian public, the overplus will be put on foreign markets at any price it will fetch, and then there will be trouble. In fact, it is when it becomes successful as an economic system that the "menace of Communism" will be really felt.

FAULTY ECHOES OF QUO TAI-CHI'S SPEECH

The following is the introductory paragraph of an editorial in the "North China Daily News" of Dec. 7, which thus tried to make amends for its original conments on the speech of Quo Tai-chi before the Assembly of the League of Nations Sept. 14.

IN mid-September it was reported that Quo Tai-chi, the Chinese Minister to the Court of St. James, had startled Geneva with his formal report on the world-situation in especial regard to the Far East. The full text of that address, made to the fifteenth Assembly of the League of Nations, shows that, whether Quo Tai-chi startled or did not startle anyone, the interpretations placed upon his words by the echoing cables were manifestly astray. His remarks were taken here to suggest that China was encouraging the lawlessness prevailing in Manchuria and to convey a threat that unrest would be deliberately fostered in order to embarrass the Japanese authorities. This journal noted, at the time, that such an attitude was inimical to China's interests in view of the reprisals which it was liable to provoke. Quo Tai-chi was badly served by the telegraphic distortions of his words. He clearly took no such line as that wrongly attributed to him.

Japanese Spy Sensation at Singapore---Mysterious Death in Police Station

IN discussing the subject of the proposed canal across Siam—to be built with Japanese money and the object of which is to "cut out" Singapore both commercially and strategically (see *The Review* Nov. 10, p. 357)—we made an incidental reference to the efficiency of the Japanese secret police. It was only natural that the British naval maneuvers in the Singapore area, which were sheduled to commence Dec. 13, should become the cynosure of the Japanese secret police, but on this particular occasion something seems to have slipped up, and very badly at that. The net result is that the intelligence branch of the Singapore police force is on the *qui vive* as it has probably never been before; and, from all accounts, there is good reason for it. The telegrams from Singapore are somewhat lacking in detail owing to the imposition of a censorship, but there is sufficient to show that there has been a "sensation" in the true sense of the word. The affair started with the arrival of two Japanese visitors at Singapore from Europe. One man was found without a passport and when questioned stated that it was in the possession of Y. Nishimura, managing director of the Ishihara Sangyo Koshi, Ltd., and president of the Singapore Japanese Society. This was found to be correct, but before the ship sailed the whereabouts of a bag belonging to this man caused the police to make further enquiries. After the visitors had re-embarked, Nishimura was asked to visit the offices of the special branch of the police for further questioning. The next day there was a further sensation, when it was announced that two Japanese had been detained under banishment warrants: Mr. Kokubo, an engraver, and Mr. Ohki, sub-editor of the Singapore Japanese paper, the *Nippo*. On top of that came the announcement of the death of Mr. Nishimura in the offices of the special branch of the police. Mr. Nishimura had called there for questioning concerning the whereabouts of a mysterious bag belonging to a Japanese who had visited Singapore early in the week. Two minutes after entering the office he fell dead, from all appearances a suicide. The Singapore police are carrying out an intensive search of Japanese hotels and residents.

Without much more than intuition to go on we believe that the British police at Singapore are on the right track. Every Japanese in the Singapore

area during the course of the naval maneuvers is a potential suspect. The success of Japanese naval and military forces during the past several decades, and this particularly includes the Mukden Incident of a little over three years ago, has been due to the excellence of their spy services, working under guises of an apparently innocent character. The writer of these lines is one of the few Americans who was at Port Arthur in February, 1904 when, without a delcration of war, Japanese torpedo boats entered Port Arthur harbor at night and torpedoed the greater part of the Russian Fleet while the Admiral and most of his staff were in attendance at a wedding party. The success of that exploit was entirely due to spy work. Naval officers, in the guise of cooks or other menials, were actually in service on the Russian warships spying out every detail not only of the ship itself but of its personnel. It may be taken for granted that Japanese spies will do the same sort of work at Singapore—if they get the chance.

Almost simultaneously with the spy sensation at Singapore the news came from Japan that the regulations against foreigners were being tightened up. One of the first persons to feel the effect of same was Ensign Tessier du Cros, French assistant naval attache in Tokyo, who has been charged with espionage by the Akasaka branch gendarmerie corps. The officer, the gendarmerie authorities allege, secured secret Japanese naval documents and other data on military establishments and arsenals. It is alleged he had several Japanese women in his employ as agents and translators. Action against him, it was stated, was being delayed because of the extraterritorial status enjoyed by the accused officer in his capacity as a staff member of the French Embassy.

At San Diego, California, several days ago, a young Japanese named Muramoto, ostensibly a gardener, was caught at night in a car, making sketches near the gun emplacements at Fort Rosecrans. His "garden" sketch was found to be a map of the fortified region.

Inconsistencies and Misstatements in "Proletarian's Article Are Pointed Out

THE *Review* admitted to its columns last week an article by "Proletarian" (a pseudonym used by a man pretending to be an expert on Russian conditions) with considerable misgivings, but as the author assured us it was "the truth" we decided to give it room.

The information we have received now from authoritative sources leads us to believe that the article in question is highly tendentious and entirely out of keeping with the actual situation.

The abolition of bread rationing, as we have been informed by authoritative sources, was being prepared for a long time, as a consequence of the changing economic conditions in the USSR, and cannot be represented as an unexpected manuever of the Soviet Government. The bread rationing has been abolished, as a result of the favorable harvests of the two last years, which put an end to all difficulties connected with bread supply and enabled the Soviet Government to withdraw restrictions from the supply of bread to the population. The bread-card system had been introduced at the time when the grave disproportion became apparent between the demands of the greatly expanding industrial centers and the limited producing possibilities of small private farms. Bread-ratoning never formed a Communistic tenet —it was a necessity, just like it was in the years of the world war and civil war in Russia.

The abolition of bread-rationing thus, it is stated, indicates not merely an increase of grain stocks in the country, but also the complete victory of the collective farming system, which has already now proved capable of producing more bread, cotton, sugar-beets, and other agricultural produce, than the small peasant economy of the times past.

"Proletarian's" contention that the abolition of bread-cards means abolition of Communistic principles, we are assured, is sheer distortion of truth. It has been repeatedly stated by all Soviet leaders that the rise of toilers' welfare is not a retreat, but the *object* of the Soviet system—which has already gained considerable success in this direction, although certain pseudo-"Proletarians" are eager to represent all Soviet successes not as a result of the advantages of the Soviet system, but as consequences of an alleged "retreat".

As to the export of bread abroad in exchange for machinery, this action of the Soviet Government, far from being a manifestation of "retreat", immediately and greatly assisted the transformation of the USSR from a country of backward peasant economy into a country of an advanced large-scale mechanised agriculture, and therefore contributed to the present improvement of the material standard of Soviet toilers. "Proletarian's" assertions about "motor cars and other luxuries for Soviet officials" have obviously been modelled after the pattern of the "communized" regimes he so devotedly defends. In the first place, the Soviet auto industry so far produces chiefly trucks and tractors, passenger cars occupying a very small place in the output. Secondly, in the USSR a motor-car is not regarded as an object of luxury, since it is gardually being made accessible to all toilers.

The abolition of bread-cards will cause aggravation of poverty, asserts the author. However, the decisive factor is not the method of sale of bread, but the ability of people to buy it with their money. Millions of unemployed, East and West of the USSR, would not be able to buy their food, even if there existed bread-cards in those countries. The absence of unemployment in the Soviet Union and the continued growth of wages (we are assured) enables everybody to buy his or her bread, while the latest rise in wages fully compensates toilers for the increase of bread prices. This refers not to "rich" and "poor" about whom

"Proletarian" writes", but to the 50 million toilers, *i.e.* the entire toiling population of the Union with the exception of peasantry producing their own bread, who until now were receiving bread-rations.

Referring to Kirov's assassination "Proletarian" describes the murderer as a *member* of the Workers and Peasants Inspection, with the obvious purpose to represent this murder as something having to do with an imaginary struggle within responsible Soviet circles and connected with the "retreat" from Communistic principles; in other words, he tries to give the murder political justification. Actually, the murderer is but a former employee of that organ, and his connections with counter-revolutionary elements within the country and abroad are at present under investigation, as stated by Karl Radek in his recent article on the subject. The numerous recent arrests and trials of terrorists caught with arms in Soviet territory further give a lie to "Proletarian's" assertion. However much he desires to find inner opposition in the Communist Party and the Soviet Government, he is bound to fail because no such thing actually exists.

To quote a fervid Soviet adherent, "The shallow, ignorant, and anti-proletarian arguments of 'Proletarian' testify only to his hatred of the proletarian regime and his ardent desire to drown the truth about the USSR in a sea of lies and slanders." V.

***

From another source we have also received the following reply to "Proletarian's" assertions:

"The only increasing aid to the unemployed in any Western country has been in the United States, which was from *nothing* (in so far as Federal relief was concerned) in the Hoover administration to *something* in the Roosevelt administration. On the other hand the dole was decreased in England in 1931 and has never been increased since, nor has any other European country increased its aid to the unemployed in recent years. Futhermore all the big capitalistic countries are indulging either in destruction of food-stuffs (in order to increase prices) or limiting the production."

Second-hand Fact and Fiction on the Late "Soviet Republic of China"

The Chinese Soviets, by Victor A. Yakhontoff; published by Coward-McCann, Inc., New York City, U.S.A. 296 *pages including map, documents and chronology. Sold in Shanghai by Kelly & Walsh, Ltd.*

China's Red Army Marches, by Agnes Smedley; published by The Vanguard Press, New York City, U.S.A. 311 *pages including map.*

REVIEWED BY WILBUR BURTON

IT is one of the more ironic quirks of history that the first "Soviet Republic of China" has come and practically gone without having ever been visited by a foreign observer (except possibly a few Russian Communists), and without attracting any attention commensurate with its importance in the western world until it was being bombed out of existence by Nanking's airplanes. At about that time it was fervidly hailed by western communist press agents as "Soviet Republic No. 2" with wild claims that it embraced almost a fourth of China, and even conservative commentators began asking "Is China going Red?" And almost simultaneously there appeared the two books under review which seem to have attracted a considerable amount of attention in the more literate circles of the United States.

Since there has never been any first-hand journalistic survey of China's Red areas—which is, incidentally, in sharp and significant contrast to the many surveys by both friend and foe that marked the rise of the Russian Red areas,—information about the Chinese soviets must of necessity be second-hand, and also almost entirely from Chinese communist propagandists or Nanking propagandists. Which are the more inaccurate, it is difficult to say; the latter have had *several divisions* chasing "*Red remnants*" for many years, while the former have indulged is such high pressure prevarication as the recent claim that Chungking had been captured by a Red Army.

These limitations are fully recognized by Mr. Yakhontoff, who makes clear that his material is second-hand, and who further candidly states in reference to Chinese Communist claims that "it is difficult to ascertain if all the departments of the Soviet Government are actually functioning, and if so with what success." Further, his book is thoroughly documented with all sources of information plainly stated. And his sources include everything available from data in Moscow to the Lytton report. One significant item is garnered from an article by Tsiang Ting-fu in the *People's Tribune*, an organ of Wang Ching-wei: "There is no doubt that the peasants in the Communist-controlled areas have gained definite economic benefits."

Miss Smedley, on the other hand, fails to state that she was never in the Soviet regions, although she writes as though she had been an eye-witness of all the activities of the Red Armies from their rise to the proclamation of the "Soviet Republic of China" on November 7, 1931, when her book ends. But whether she intends for the volume to be taken as fact or fiction is never made clear; her introduction merely says that "this book consists of stories based on actual events in which leading personalities of China have taken part." We are given such details as this: "Chu Teh looked at his watch—nine o'clock and no reports had come in." There is also full Orthodox Communist flavoring through recital of a melodramatic "Social Democratic" and "Trotskist" plot to disrupt the Red Armies, which was, of course, nipped in the bud.

Presumably Miss Smedley is setting forth material from second-hand sources that she believes accurate, and if she had clearly identified these sources, her stories would have some historical value. They consist largely, however, of romantic heroics which must be heavily discounted, for as Trotsky once said in writing of the Russian Red Army which he organized in the early days of the Soviet Union, "as long as men settle their differences by fighting, any army must be directed on the principle of *certain death* if they retreat as against *possible death* if they advance." (This quotation is from memory, but is substantially if not literally correct.)

Miss Smedley's manner of presentation—which is extremely excellent from the literary viewpoint—reminds

the reviewer of John Reed's "Ten Days that Shook the World," but fundamentally there is no resemblance, for the value of Reed's classic depends entirely on the fact that he was actually in the midst of the revolution when, or just after, it happened and records what he saw and felt. Neither his observations nor feelings would have had any validity had he been as far from the scenes he describes as Miss Smedley was from the scenes she describes. History can and often has to be compiled from second-hand sources, but it is a recognized and wholly sound convention that the sources must be indicated, and when no sources are given for such a detailed and vivid record as Miss Smedley's, it can only be regarded as virtually worthless fiction. Which is, indeed, a sad comedown from her "Chinese Destinies" that this reviewer characterized in these pages as "one of the most momentous and illuminating books about China" he had ever read,—because, for the most part, it dealt only with what Miss Smedley had actually seen and her reactions thereunto.

In the present book, only one important historical item emerges from her pages. It is recorded that Li Li-san was over-ruled by the other Communists in his effort to stage a mass uprising in Wuhan at the time the Reds held Changsha because "the imperialist gunboats would not only bombard the cities from the river, but would land troops everywhere to protect Kuomintang rule." However, Miss Smedley reveals no recognition of the profound implications of this fact: that if the Reds could not back up their armies by mass uprisings in the key cities, they had no chance of achieving any real success.

One breathless paragraph from the book has assumed an exceedingly sardonic aspect since its publication. It pertains to "Comrade Black Face—Kung Ho-chung, long, lanky, swarthy skinned . . . . baptized in the fires of the Canton Commune . . . . a fierce fellow and a Communist"—who, for reasons probably best known to himself, proclaimed on October 10, 1934, (after Miss Smedley's book appeared) that he had joined the Nanking Government "in order to manifest to other Reds the error of their ways."

While Mr. Yakhontoff's book is an extremely competent study of the Red movement in China, and an excellent starting point for all future students of the subject, it is marred by several defects. There are, for example, such minor misstatements as "the Chinese policy of England was revised in 1926 to effect better cooperation with *Nanking*." He fails to deal adequately with the present impotence of the urban Communists. He is misleading on the size of the Soviet areas at the time he wrote his book, for while the total population of *all* the Red areas perhaps came up to his estimate of 80,000,000, the *unified* area around Juikin was certainly never half that large. He is incorrect in saying that industrial workers have "virtually led the Chinese Communist movement;" all of the outstanding leaders since the agrarian revolution started have been either intellectuals or soldiers excepting Li Li-san who was ousted as a "leftist adventurer."

There are three major errors in Mr. Yakhontoff's summary. First, he fails to see the futility of the "Soviet Republic" without even the possession of one key city of the country; imagine the Russian Red Revolution having been in Uzbekistan without control of Leningrad! Secondly, he fails to emphasize the virtual impossibility of a Communist victory in any key city as long as foreign imperialism is as potent as now. Thirdly, he neglected to read the handwriting in the sky, so to speak,—that is the inability of the Reds to maintain any strong bases after the large-scale advent of the airplane on the side of Nanking. Thus, by the time his book—which is quite accurate up to the end of 1933—appeared, the bulk of the Soviet districts with which he deals had been captured by Nanking troops and the Red capital, Juikin, was shortly in shambles.

This does not, to be sure, mean the end of the Red movement in China. Another "Soviet Republic" in Szechuen and Shensi, or perhaps elsewhere, is by no means unlikely, and in any event airplanes alone cannot wipe out all the Red guerrillas. Further, a base in remote Szechuen would be more difficult to attack than was Juikin in Kiangsi—which was not destroyed until more than a year after the assembling of Nanking's huge air fleet. But in Szechuen the Reds will offer less threat than in Kiangsi to the key river and coastal cities of the country without which no genuine Communist success can ever be achieved. All of consequence that the Reds can do under existing circumstances is to re-distribute the land as they did in Kiangsi,—which is nothing new in Chinese history, nor even really Communist, considering that the Russian Communists ruthlessly abolished private ownership of land just as soon as they could.

Mr. Yakhontoff's final conclusion is of much interest: "Undoubtedly foreign help to Nanking and to other enemies of Soviet China has prolonged the struggle. But, judging by what the Chinese Soviets have accomplished in spite of it, one may suppose that were this support withdrawn, most, if not all, of China would 'turn Communist,' probably within a very short time."

Except for his implication that the Reds are likely to triumph despite "foreign help to Nanking"—which is certainly not being borne out by such recent events as the capture of Juikin and elimination of most of the Soviet districts in Kiangsi,—this conclusion seems to the reviewer to be distinctly sound if by "foreign help" he means not primarily munitions and airplanes, but foreign control of virtually all of the key cities of the country and foreign policing of the principal rivers and coastal waters. The importance of these factors in Nanking's anti-Red warfare was most clearly shown at Changsha in 1930 when the Reds would probably have been able to hold the city had it not been for the bombardment by foreign gunboats, and only slightly less clearly in 1931 and 1932 when various Red districts on opposite banks of the Yangtsze would have been able to unite had it not been for foreign policing of the river.

THE PARK HOTEL

WHEN the new Park Hotel, the splendid 22-story hostelry in Bubbling Well road, opposite the Race Course, Shanghai, was opened recently, the daily newspapers monopolized all the available photographs, and we were unable to present our readers with an actual view of the hotel, having to content ourselves with some interior views. In this issue we print such a view, and the mere fact that it appears as part of an advertisement (see back page of cover) should not detract from its interest, particularly for readers outside of Shanghai,—for after all, it is from visitors that the hotel hopes to get most of its clientele. Travelers from the United States assure us that there is nothing better in New York City; and that is quite believable, as the management drew for it equipment from two hemispheres. Dr. C. T. Wang, in a neat speech, at a recent dinner, spoke of the yearning that every traveler has for something that appears like a home—and that the Park Hotel has furnished, as any visitor will, we believe, testify.

"Shades of Dillinger"

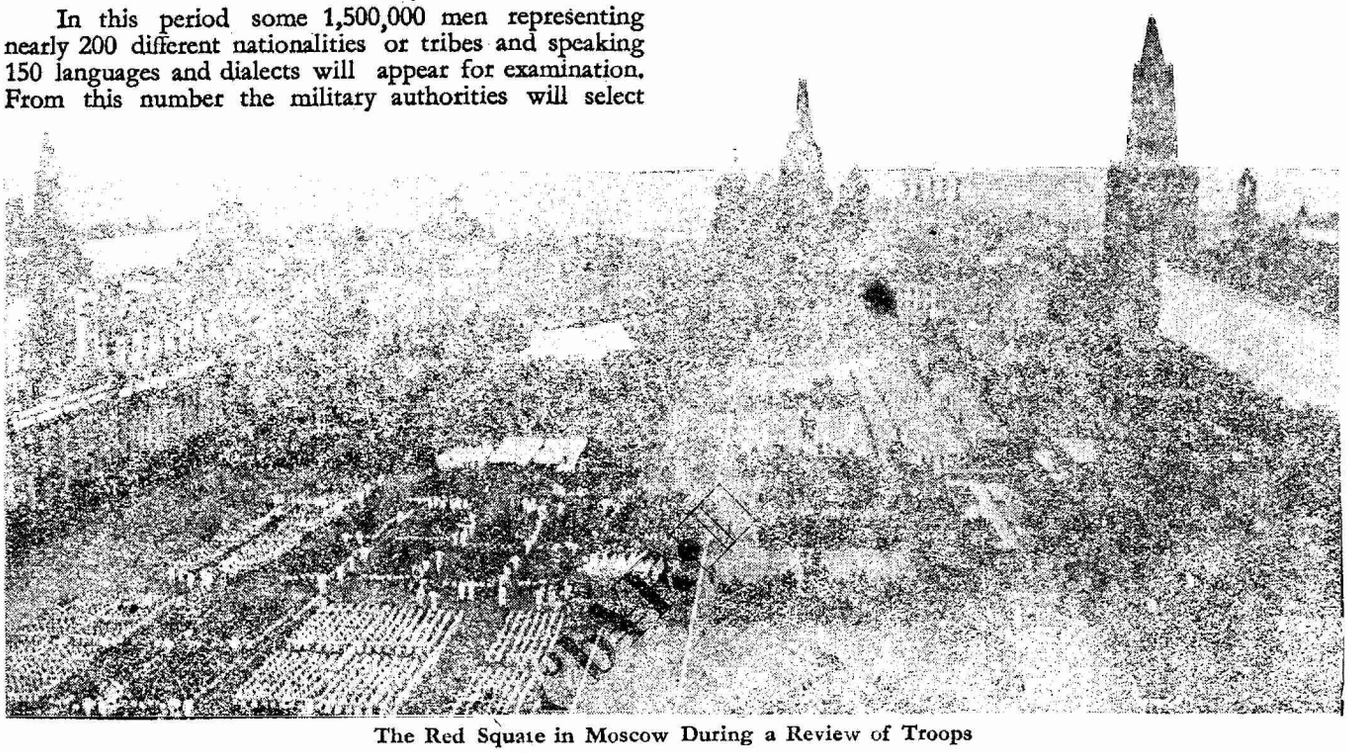
Under the above heading the *Japan Chronicle* records the following:—"Himeji juvenile prison is to hold military maneuvers, all the good conduct inmates being allow to take part. The maneuvers will be superintended by an army major, and the youths will be provided with rifles and machine-guns."

"Red" Army Calls Up 1,500,000 Men from Which to Select Recruits

(FROM THE REVIEW'S SPECIAL CORRESPONDENT)

MOSCOW.—In every city, town and village of this land from the Polish border to the Pacific and from the Arctic to the shores of the Black and Caspian seas, the borders of Persia, Afghanistan, British India, Chinese Turkestan and Mongolia, the most prominent feature on the chief street is a bright red banner ordering all men who were born in 1912 to appear at the recruiting stations for military service. The banners were put up on the first of September and were to remain up until the end of November.

In this period some 1,500,000 men representing nearly 200 different nationalities or tribes and speaking 150 languages and dialects will appear for examination. From this number the military authorities will select



The Red Square in Moscow During a Review of Troops

the most physically fit for service in the various military branches, all of which in this country are combined under the Commissariat of War headed by Mr. Voroshiloff. The number selected usually averages about one-fifth of those examined, or in the present instance about 300,000. Aside from the physical test there are various exemptions,—students in higher technical schools, men engaged in certain essential trades or professions and so on. In certain instances where the man is the sole support of a family he may receive an exemption for one year, but rare is the case where total exemption may be obtained. These recruits or conscripts, hundreds of whom may now be seen on the streets in their new, grey, long German-style overcoats, constitute the raw material from which the Soviet Union builds its army, officially stated as having a strength of 552,000 men. It is claimed that the number of men in uniform, including regular army, territorials, police-militia and special Ogpu troops and frontier guards exceeds a million men, the most powerful force in Europe and Asia, but the strength of the regular Red army always is given as 552,000.

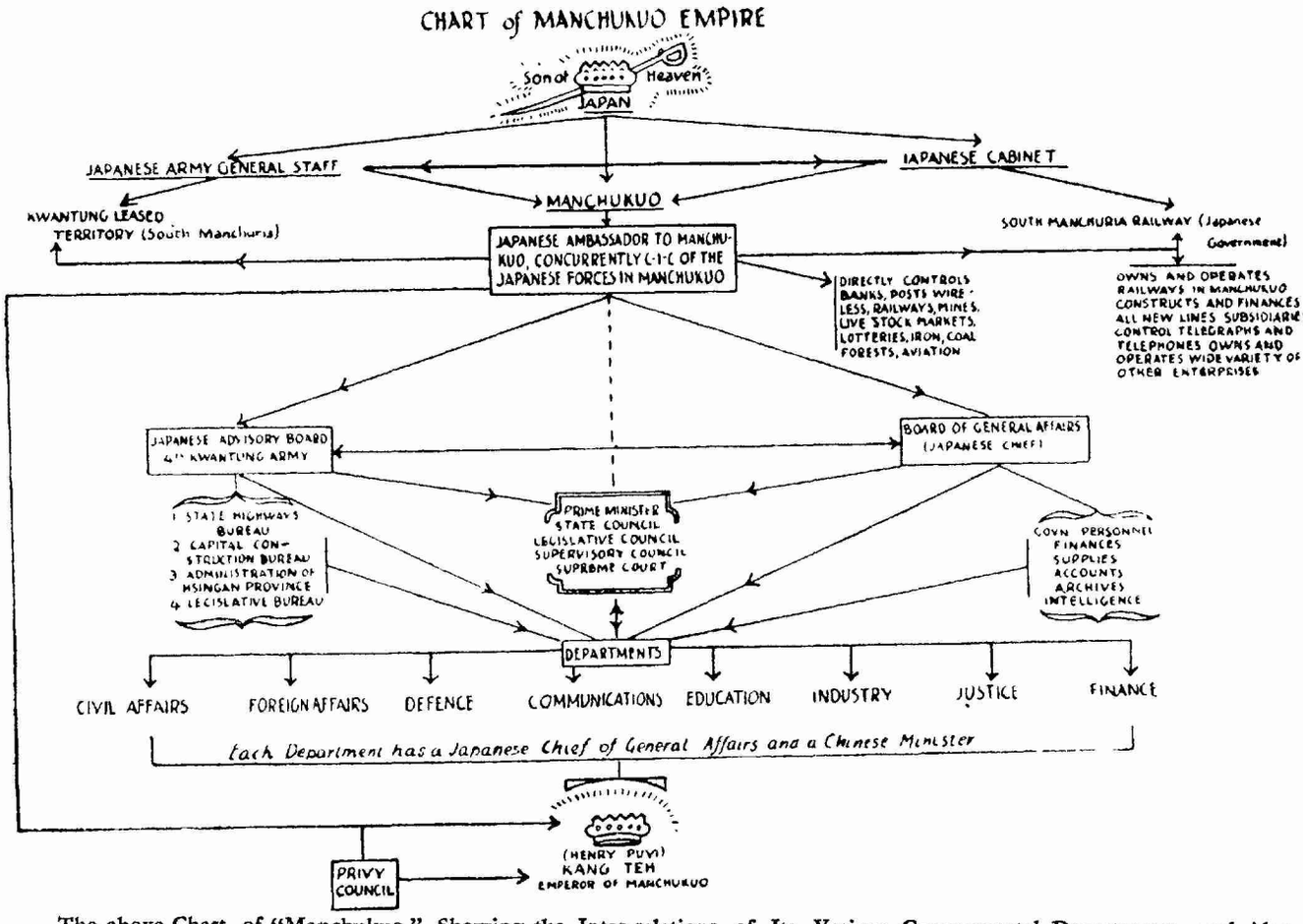
The period of service varies from three years for infantry to four or five years for special branches, such as artillery, air-service, tank-corps. Those in the more technical services also receive higher pay. At the present all those in the Far Eastern army receive considerably higher pay than those stationed in the European divisions. Soviet military officers proudly declare that their scheme of military service makes a general mobilization unnecessary in the event of war; that the nation is always mobilized and on a war footing—an obviously singular situation in a communist state—but the Soviets, according to their own declarations, are constantly surrounded and menaced by capitalistic class enemies, making preparedness necessary.

The Soviet military authorities also are fond of stating that the mechanization of the Red Army exceeds that of America and France and possibly England. The tremendous concentration on the development of heavy industries to the neglect of almost everything else is naturally concerned largely with the mechanization of the army and the perfection of the military machine.

Chief Interest Is in Far East

Chief interest at the present, and for a considerable time in the future, will be concerned with the strength and efficiency of the Red army in the Far East, due to the crisis with Japan. For practically a year following the Japanese occupation of Manchuria in September 1931, it was commonly stated in Moscow that, since the Soviet army was not sufficiently strong to oppose Japan in the east, the Russians, in consequence, would only put up nominal resistance in the event the Japanese Kwantung army decided to take Vladivostok and the Amur and Maritime provinces. This probably is somewhat of an exaggeration, for General Blucher, the commander of the Far Eastern red forces began strengthening his position along the border immediately following the clash with the Chinese Manchurian forces in 1929. However, he did not receive much support from Moscow in this regard, only a free hand to do the best he could with material already available in Siberia.

The Japanese drive into the northeastern Chinese provinces in the fall of 1931 naturally provided the shock that stirred Moscow officialdom to action. Voroshiloff, commissariat of war, hurried to the Far East and made an investigation and it wasn't long before Blucher had the men and materials and money for doing what he had long been telling Moscow was necessary if Siberia was to be saved. Voroshiloff spent considerable time while in Vladivostok investigating the little ship-repairing and iron works that had existed in that city for many years but which had practically ceased operating. He decided that this industrial establishment constituted one of the keys to Russia's defence plans, hence it was not long before this plant was humming with activity. Engineering and technical talent and several brigades of so-called "shock" laborers were rushed to the Far East and the management, including the party officials in Vladivostok, were promised adequate rewards if the plant was brought up to the required state of efficiency as an arm of the milita establishment. Also, needless to mention, there was likewise the threat of adequate punishment for all concerned in the event of failure. The reorganization went over in accordance with the "plan" and the promised rewards were distributed. Also the name of the plant was changed to the Voroshiloff Iron Works and a large autographed photograph of the War Commissar was installed in the head office along with the photographs of the local triumvirate that operate the plant, namely, the director, the secretary of the branch



The above Chart of "Manchukuo," Showing the Inter-relations of Its Various Governmental Departments, and Also Its Relation to Japan, Appears in a New Edition of "Far Eastern Front," from the pen of Edgar Snow. A New Chapter in the Book is Entitled, "Manchukuo To-Day."

of the communist party and the secretary of the local labor union. These three men run the plant, now said to employ a minimum of 3,000 laborers, under direct orders from the war ministry in Moscow.

Exact Strength Kept Secret

The exact strength of the red army in the Far Eastern sector is naturally kept secret but is generally estimated from 12 to 15 divisions, four or five of which are stationed in the Vladivostok-Khabarovsk sector and the remainder elsewhere. Each division is said to number around 10,000 effectives ready for action at any moment. There are ten or a dozen batteries of artillery including howitzers and each regiment has a minimum of ten field guns and there is said to be an extra regiment of heavy artillery in each corps. Including 10,000 cavalry the total strength of the far eastern army probably exceeds 200,000 men with 50 heavy guns, 500 field guns, a similar strength of light mortars, some 400 light and a few heavy tanks, between 4,000-5,000 machine guns and anywhere up to 500 airplanes, some of the planes being of the five-motored long-cruising range variety.

In addition to the regular army and special far eastern forces originally organized by Gen. Blucher from local material there is at least one division of Ogpu special border defence guards, most of whom wear black leather uniforms and many of whom are mounted. The writer noticed at several of the stations special detachments of the Ogpu forces engaged in training police dogs, another arm of the service. There are a considerable number of Oriental troops in the army, particularly Koreans in the Vladivostok sector and in addition there is at least one division of Mongolian cavalry further west in the Chita-Irkutsk sector. Large reserves of fuel oil are stored at numerous undisclosed bases along the frontier, but thought to be chiefly in the Khabarovsk district where one of the chief aviation bases is located. Also, according to rumor there are several chemical plants for the production of poison gas.

The seriousness of the military crisis prevailing in the Far East is best exemplified in the almost continuous "gas-defense" drills held in Vladivostok, Khabarovsk, Blagoveschchensk and other border towns and villages. These drills are conducted by Ogpu officers and must be attended by all members of the community, men, women and children. In Vladivostok and Khabarovsk every man, woman and all children above the age of 10 must have a gas mask which may be obtained from the government supply stores for 9 kopeks each. When the army holds its night air-defence maneuvers in the Vladivostok sector, any resident found on the streets after the warning signal of an attack has been given, is regarded as having been "gassed" by Japanese planes and is picked up by a Red Cross detachment and taken to a field hospital for the remainder of the night.

Then, there is the red navy detachment in the Far East, also directly under the orders of War Minister Vorisholoff and Gen. Blucher which is in an equal status of preparedness. Here it is impossible to penetrate the secrecy as to actual strength, but the considerable number of sailors all along the way from Vladivostok harbor and the Ussuri, Sungari and Amur river boundaries and even far inland in the Lake Baikal district constitutes evidence of Soviet naval power. There are said to be large numbers of small, speedy torpedo boats on all the navigable streams while in Vladivostok harbor one sees light grey destroyers and small submarines constantly maneuvering in the Golden Horn and Amur Bay. These boats were said to have been shipped to the Far East in parts and assembled in the Voroshiloff Iron works.

Even Women May Be Regarded as Potential Soldiers

Actually the entire adult Russian population, including a considerable portion of the women, may be regarded as potential soldiers in the event of a Far Eastern war. All youths of both sexes are instructed in the use of arms and there are numerous groups of the so-called Voroshiloff "sharp-shooters" in the Far East, young men and women who are constantly drilled by Ogpu officers in the use of arms and most of whom are said to be most skilled in the use of the long-range rifle. For those licensed to possess arms the prices for rifles and revolvers at the government stores is ridiculously cheap. A Browning style revolver manufactured in Russia may be purchased for as low as 40 kopeks while the cost of rifles ranges from one to two roubles.

It is in this manner, plus an extensive agricultural and industrial development auxiliary to the military establishment, that has enabled the red Russians to overcome their strategical handicaps in the Far East. The Soviet leaders, both in the Far East and at Moscow talk a great deal about "new-type defence," in this area, the details of which are kept secret and which, actually, may be nothing more than propaganda to impress the enemy. Neutral military observers think, however, that what they have in mind, is an improvement of their methods of strategy or "defense" over the methods used in the first Russo-Japanese war. At that time Russia depended entirely upon the military arm alone; all support had to come from European Russia over an inefficiently graft-ridden operated, single-track railway. Now the railway is being double-tracked, branch and auxiliary lines are being built, industries of a war character are being constructed in the field and immigrants by the tens of thousands are being sent into the territory with the primary object of fostering an agricultural development that will clothe and victual the military machine in the field. In the event of war, Moscow would not be compelled to supply much else than money, the Far Eastern establishment being regarded as practically self-sufficient. J. B. P.

Kuomintang C.E.C. Holds Fifth Plenary Session; Communist Situation in South China Improves

High Lights in the Events of the Week :

1. **Important National Issues Discussed at C.E.C. Session.**
2. **General Chiang Kai-shek Appeals for Peace and Unity.**
3. **Red Menace Stamped Out in Kwangsi and Hunan Regions.**
4. **General Liu Hsiang Returns to Szechuen to Resume Anti-Red Campaign.**
5. **Japanese Complete Airdromes at Tientsin and Dolonor.**
6. **General Huang Fu Decides to Take Up Nanking Post.**
7. **Peiping Political Council May Be Abolished.**
8. **Northern Merchants Petition Embargo on Silver Export.**

"The national crisis is no less acute to-day than it was a year ago when the Fourth Plenary Session was convened. The ardent hope of the Government in national solidarity and the opportunity to work towards the replenishment of the people's strength and to develop national resources."

With these words President of the Executive Yuan, opened the Fifth Plenary Session of the Central Executive and the Central Supervisory Committees in the morning of December 10 in the presence of 106 members including General Chiang Kai-shek, who had long been absent from Nanking in order to direct the Anti-Red campaign in Kiangsi.

—Courtesy : China Press

Nanking Peace Delegates, Dr. Wang Chung-hui and President Sun Fo shown here with Hu Han-min upon their arrival at Hongkong. The young lady in the picture is Miss Hu Mu-nan, daughter of Hu Han-min.

Continuing his address, Mr. Wang said that the task of the Plenary Session generally was to review the labours of various departments of the Government and to determine the lines on which future work was to be based. Mr. Wang pointed out the two things most worthy of note which had been accomplished since the Fourth Plenary Session: first, the extermination of communists in Kiangsi and Fukien, and secondly, the abolition of irregular taxes as the first step towards the rehabilitation of rural economy. He urged that whatever resolutions might be reached in the present session, they should be courageously acted upon. He also expressed the hope that during the time of national crisis every conference should have its practical results.

The opening ceremony was immediately followed by a preparatory meeting at which the President of the Judicial Yuaan, Chu Chen, presided. A presidium was elected comprising General Chiang Kai-shek, Wang Ching-wei, Sun Fo, Yu Yu-jen, Tai Chi-tao, Ting Wei-fen, and Chu Chen. Yeh Chu-chang, Secretary-General of the Kuomintang Central Executive Committee, was elected Secretary-General of the Plenary Session.

It was decided that the Session should last from five to seven days, and that five committees would be formed to examine proposals dealing with party, political, military, financial and educational affairs.

Proceedings of the First Meeting of the Session

The first regular meeting of the Plenary Session, held in the morning of Dec. 11, was occupied with a general discussion of the draft permanent constitution of the Republic of China. On the discussion of the document, it was decided that, according to Article 22 and 23 of Dr. Sun Yat-sen's "Fundamentals of National Reconstruction," before being discussed by the People's Congress, the draft constitution should not be decided upon either by a plenary session of the C.E.C. or a National Party Congress. It was consequently decided to appoint a special committee of 46 members to examine the draft with President Lin-Sen as Chairman of the Committee.

A summary of the work, political as well as party, of the nation during the past ten months was contained in the report of the standing committee of the Central Executive Committee of the Kuomintang. The National Government, it was stated, had been following the general principles as outlined in the manifesto of the Fourth Plenary Session. It had aimed at consolidation of national power for bridging over national crises. With this end in view, strenuous efforts had been exerted for the unification of the Kuomintang. Misunderstandings and differences of opinion between party members had been greatly lessened through conciliatory measures, and unified party opinion had been created.

Various local governments had made great efforts for the abolition of exorbitant taxes, in accordance with the plans worked out by the Ministry of Finance. It was regretted that, owing to economic stringency, reconstruction work had not progressed as rapidly as expected. However, very favourable results had been obtained in highway and railroad construction. Efforts were being directed towards controlled industries, rural rehabilitation, and river conservancy and irrigation work.

In party affairs, efforts had been concentrated upon the effective utilization of party power for the welfare of the nation. It was with this end in view that various tangpu (branch Kuomintang headquarters) had been reorganized, dismissing all superfluous staff members and adopting a policy of great economy, and internal dissensions and differences had been sunk by conciliatory methods.

Conspicuous among the members present at the first meeting, were the six Canton delegates, Kwan

Su-jen, Tsui Kwang-shui, Li Yien, Chan Chu-chi, Teng Ching-yang and Li Yin-jen who arrived with Sun Fo, President of the Legislative Yuan, from the south. It is understood that the southern delegates submitted three proposals, on administrative reform, foreign affairs, and education respectively. In the course of thee meeting, Mr. Sun made a report on his mission to the south and the outcome of his discussions with the southern leaders. Mr. Sun brought back with him three letters addressed by Hu Han-min, one to General Chiang Kai-shek, another to Wang Ching-wei and a third to the Standing Committee of the Central Executive Committee as a whole which were delivered to the parties concerned reespectively.

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On the eve of the opening of the Session, General Chiang Kai-shek, Chairman of the Military Affairs Commission, issued a statement to the press of the entire nation clucidating the significance of solid mass support to the National Government in the present state of national emergency.

Taking the recent victory of the Government forces in the anti-Red campaign as a thought for comment, General Chiang made it clearly understood to the people of China that it was through seventy per cent. of political measures and thirty per cent. military strength that the Red menace was rooted out, but it was the intangible force of mass support on the part of the people which had given the real strength to the cause.

In view of the fact the people throughout the nation celebrated the victory of the anti-Red campaign in conjunction with the opening of the Fifth Plenary Session of the Central Executive Committee of the Kuomintang, General Chiang explained in his statement, "the underlying meaning of the celebration of anti-Communist victory."

In the opinion of General Chiang Kai-shek, instead of celebrating the anti-Red victory, the celebration is for victory of the Chinese people. It was through the co-operation of the people and the uniformed men that the suppression of the Reds was possible, General Chiang said.

"It is oneness of spirit on the part of the people and the eentire nation that we need to pull the country through whatever obstacle we may face. The intangible force of oneness in spirit and co-operation is far stronger than any material strength." General Chiang emphasized.

General Chiang further pointed out that, if the people would support the National Government in its dealings with internal problems and foreign issues with the same oneness of spirit that the Government has been enjoying in its anti-Red campaign, he had no doubt but that the program of the National Government would be greeted with ultimate success.

Bassed on this idea, the Generalissimo hoped that, at this juncture, when China's immediate problems are still mythical to many, the people would manifest this oneness of spirit in backing the Government in its work of national salvation.

In conclusion, General Chiang did not conceal the fact that the Red remnants are still seeking to penetrate Szechuan and Kweichow, but he was certain that, with the collapse of the main strongholds in Kiangsi and Fukien, the waning influence of the Reds at present would afford no great trouble to the Government force.

Mammoth demonstrations, celebrating the defeat of the Communist-bandits and pledging support to the Kuomintang Plenary Session meeting in Nanking, were held in various parts of China December 10. Speeches, parades and other demonstrations were reported to have been held at Tientsin, Peiping, Hankow, Tsinan, Tsingtao, Hangchow, Foochow, Yangchow and Changsha. General Chiang Kai-shek was flooded with congratulatory messages from various organizations throughout the country.

The Executive Yuan December 11 appointed General Huang Shao-hsiung, until recently Minister of the Interior, Chairman of the Chekiang Provincial Government in succession to General Lu Ti-ping, who been given the post of vice-Chairman of the Military Advisory Council. Tseng Yang-fu, the energetic Commissioner of Reconstruction, retains his position, but General Huang Shao-hsiung becomes concurrently Commissioner of Civil Affairs. Other appointments are Hsu Ching-pu as Commissioner of Finance, Shu Shao-li as Commissioner of Education, and Huan Hua-piao as Secretary General of the Provincial Government. Chiang Shih-hou, Chow Hsiang-hsien and Chu Kungyang have been appointed members of the Provincial Government without definite positions.

The Executive Yuan has decided, pending the assumption by General Huang Fu of his post as minister of the interior, that the vice-minister, Kan Nai-kwang, will be Acting Minister.

Several important military appointments were made by the Central Political Council at its meeting December 5. General Chu Pei-te, Inspector-General of Military Training, was specially appointed Acting Chief-of-Staff to the National Army. General Tang Sheng-chih, President of the Military Advisory Council, was appointed Inspector-General of Military Training, succeeding General Chu. General Chen Tiao-yuan, Commander of the 1st Route Army, was especially appointed President of the Military Advisory Council, succeeding General Tang.

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General Liu Wen-tao was given a great ovation Dec. 11 when he bade farewell to Shanghai and left in the Conte Verde to take up his post as first Chinese Ambassador to Italy. The diplomat was seen off by a large party of high officials, and a guard of honour consisting of members of the Greater Shanghai Peace Preservation Corps which was drawn up at the Customs Jetty. Interviewed before his departure, General Liu stated that he would try his best to promote the friendly relations already existing between the two countries and would also negotiate with Signor Mussolini for the conclusion of a commercial treaty.

—*Courtesy : China Press*

General Chen Chi-tang "Strong man" of South China Greets Nanking envoys, Dr. Wang Chung-hui and President Sun Fo on their arrival at Canton.

Cheng Tien-hsi, until recently vice-Minister of Justice, and Liang Hung-chieh, formerly secretary-general to the cabinet of Tuan Chi-jui when the latter was Chief Executive of the one-time Provisional Government in Peking, have been appointed advisers to the Ministry of Foreign Affairs.

At the recommendation of General Wu Te-chen, Mayor of the Greater Shanghai Hunicipality, General Wen Chao-chi has been appointed Commissioner of Police of Shanghai to succeed the late Geneeral Wen Hung-en.

659 Overseas Chinese Expelled in One Year

According to stastistical report compeled by the Chinese Overseas Society at Nanking, the total number of overseas Chinese deported during the period from June 1933 to June 1934, is 659. This is only for those who have registered in Nanking and undoubtedly there are many others expelled who have gone directly back to their villages are not accounted for. Of this number 545 were expelled from Mexico while

114 were from Japan. Those from Mexico returned in 21 groups.

Chiang-Wang Proposal Adopted

At the second regular meeting of the Plenary Session, it was decided to accept in principle the five-point proposal jointly submitted by Gen. Chiang Kai-shek and Wang Ching-wei, with regard to a clearer division of power as between the Central Government and local governments, as a means of stabilizing conditions as well as improving administrative efficiency. The proposal was referred to the Central Political Council to draw up detailed plans for putting it into effect.

The Chiang-Wang proposal in brief is:—

"The Central Government will only fix general principles of law enforcement, while detailed articles and ways of enforcing them will be drawn up by various provincial and municipal governments;

"The authority to appoint officials should be vested in the Central Government, while the selection and recommendation of them will be submitted by the regional authorities on the basis of their prescribed qualifications. To ensure security of employment, their tensure of office should be on the principle of three years and no government employee shall be discharged without proper grounds, while those who prove themselves capable during term of office shall be recommended for re-appointment to a second term;

"Plans should be made by regional governments on the basis of regional requirements together with budgets and estimates, to be submitted to the Central Goveernment for approval. After approval is granted, the Central Government, beyond investigating from time to time their achievements, should not interfere with their progress;

"A clear demarcation should be drawn between national and regional revenue and others, should be remitted to the Central Government, while subsidies may be granted where there is a deficiency in regional finance;

"A standard should be fixed as to what constitutes the national army and regional forces. For purposes of national defence, the national army shall be under the centralised control of the Central Government, while regional forces, such as police, peace preservation corps, and militia units, shall be under the control of regional governments, with their numbers fixed by the Central Government. The purchase of fighting equipment from abroad either for the national army or regional forces, should be made by the Central Government, so as to standardize fighting equipment in the various army units in China."

The report of the committee of 46, specially appointed for the examination of the draft permanent constitution of the Republic, which was the result of 2½ hours' careful deliberation yesterday afternoon, under the chairmanship of Lin Sen, Chairman of the National Government, was accepted at the meeting. It recommended that the draft should be handed to the C.E.C. Standing Committee, who should appoint a special sub-committee for a thorough examination of the draft. When the draft is passed by the Party Congress, it will be regarded as having been decided upon by the Kuomintang, and will be submitted to the People's Congress for a final decision.

Journalists Ask C.E.C. for Freedom of Press

Chinese journalists in Shanghai have telegraphed the fifth plenary session of the Central Executive Committee of the Kuomintang now meeting in Nanking, asking that the freedom of the press, often mentioned by leaders of the party, be effectively recognized; suggesting that those journals or other press organs which have been or are now being penalized and prescribed be permitted a new life unless their original intention was to create disturbances of disorder.

The telegram complains of the lack of general policy and standard in the enforcement of censorship by local offices in different parts of China and suggests that this unfortunate situation be looked into by the national authorities. The telegram was sent separately by the association of daily newspapers and the journalists club on Deceember 12.

Red Menace Stamped Out in Kwangsi

General Li Tsung-jen, Kwangsi military leader, told *Reuter* in an interview at Canton December 5 that the Communist menace in Kwangsi had been eliminated. The invaders, he said, had been driven out of the province following severe fighting in which the outlaws suffered very heavy casulaties. Several regiments of Red soldiers, however, he said, were still endeavouring to move to Kweichow and Szechuen provinces. As far as he knew they comprised the 1st, 3rd, 5th, 7th and 9th Red armies and he said that Kwangsi forces were now crossing the Hunan border to pursue the fleeing bands.

All the Communist bands who have been attempting to invade Kwangsi have been put to flight and are retreating in northwesterly direction, according to official reports received at Canton from Kwangsi December 9. The main body of the 4th Group Army is now pushing towards Meichikow, Shengpu and Shuling in pursuit of the Reds, against whom Hunanese troops are also conducting operations. At the same time, other Kwangsi troops are advancing on the Kweichow border from Lung-sheng and Kooyi to join the Kweichow forces in an attempt to envelop the retreaters. Meanwhile part of the militia at Kweilin is engaged in searching for Communist remnants scattered during recent encounters with the Kwangsi forces.

General Pai Chung-hsi, Deputy Commander of the Kwangsi Provincial Forces, reports that as a result of four days' hard fighting at the Hingan-Chuanchow-Kwangyang sector, north-eastern Kwangsi, the Hunan and Kwangsi troops have completely wiped out all traces of bandits in the three cities. Tens of thousands of "Reds" are retreating to Kweichow. Heavy fighting has occurred between the 24th Kwangsi Division and the rear guards of the "Reds." The Hunan and Kweichow forces having reached certain designated points, General Pai is leaving personally for Lunghing, northern Kwangsi, near the Kwangsi-Hunan-Kweichow border, to supervise the operations against the marauders.

The Kweichow 25th Army routed the Reds on the Kweichow border in the night of December 6 and captured a Communist divisional commander named Wang Kung-cheh.

A report received in Canton from General Wang Chia-lieh, Commander-in-Chief of the Kweichow anti-Communist army, states that the provincial troops won a decisive victory over the Reds on December 7, leaving between 6,000 and 7,000 dead on the battlefield. Hundreds were taken prisoners and a large quantity of arms seized. The provincial troops are pursuing the remnants.

Canton General Asks Nanking For $600,000

General Chen Chi-tang, Commander of the Kwangtung Provincial Forces, has telegraphed to the Central authorities requesting the latter to continue the monthly remittance of $600,000, granted as a military subsidy to the Kwangtung Forces, notwithstanding the conclusion of the bandit-suppression campaign in Kiangsi in which the Kwangtung units participated.

The Commander-in-Chief's Headquarters of the Bandit-suppression Forces for the provinces of Kiangsi, Kwangtung, Fukien, Hunan and Hupeh, of which General Chen Chi-tang was the Commander-in-Chief, having been abolished in accordance with the instructions of the Central Government, General Chen has been appointed Director of the Kwangtung Pacification Headquarters. He will assume his new duties on the 15th inst.

Southern Route Red Leadership Abolished

A recommendation made by General Chen Chi-tang, Kwangtung military chief, that the post of commander-inin-chief of the Southern Route Bandit Suppression Forces in Kiangsi, Kwangtung, Fukien, Hunan and Hupeh, be abolished, was unanimously adopted today by the Southwest Political Council.

The recommendation was made in a petition submtited to the Council by General Chen, who has been holding this post. General Chen recommended abolishment of the post on the ground that the Communists in Kiangsi and Kwangtung had already been suppressed.

The Southwest Political Council also decided to appoint General Hu Chun-to, former Kwangsi commander and garrison chief at Hankow, as a member of the Council.

Hunan Soon to Be Cleared of the Reds

A report on the latest bandit situation along the Hunan-Kwangsi border was made by General Ho Chien, Commander-in-Chief of the Government Pursuit Forces, December 10. General Ho stated that the main forces of the remnant "Reds" have passed Lungsheng and Yaoshan, northern Kwangsi, reaching Swangkiangkow between Suining and Tungtao, south-western Hunan, on the 9th. The remaining portion is lingering behind between Chengpu and Suining, south-western Hunan. Units of the 1st and 2nd Army Corps under Generals Liu Chien-hsu and Hsieh Yo of the Pursuit Forces are heading for Tsinghsien and Tungtao, south-western Hunan, along separate routes to suppress the marauders, he continued. The Kweichow Provincial Forces under General Wang Chia-lieh, Chairman of the Kweichow Provincial Government, are stationing troops along the border so as to keep the outlaws out of Kweichow. In north-western Hunan, he said, the newly organized 34th Division under Lieut.-General Chen Chu-chen has repulsed the "Reds" under the notorious Ho Lung and Hsiao Ko who attempted to invade the city of Yuanling. The brigands, sustaining 200 casualties, retreated northwards toward Yungshun.

The main forces of the fleeing "Reds" are heading for Kweichow from Lunghsing and Ku-i, northern Kwangsi. While a portion of the combined Hunan-Kwangsi troops is taking a short cut to circumvent the "Reds," other troops are giving chase to the bandits with a view to exterminating them in the border areas.

To facilitate the rounding up of the remnant "Reds" along the Hunan-Kwangsi-Kweichow border, the Commander-in-Chief's Headquarters of the Government Pursuit Forces, has been removed Westwards to Paoking, south-western Hunan, from Hengchow. General Ho Chien will personally supervise the operations at Paoking after a trip to Changsha from Hengchow for the readjustment of affairs in the rear.

In a telegram to General Chiang Kai-shek, President of the Military Affairs Commission, General Ho reports that one-third of the remnant marauders have been either slain or wounded during the past fortnight. Special efforts will be made to clean up the remainder.

Communist Ravages Cost Fukien over $50,000,000

A total of 16,340 square Li of land has been affected and more than 400,000 people have been rendered homeless with total property losses estimated over $50,000,000 in Fukien as a result of the Communist ravages in the province, according to statistics compiled by the Fukien Provincial Government. The destruction has been the heaviest in western Fukien, which for a considerable time was under complete occupation of the Communists.

Liu Hsiang Returns to Resume Anti-Red Campaign

General Liu Hsiang, Commander-in-Chief of the Communist-suppression Forces and Rehabilitation Commissioner of Szechwan, left Nanking for Szechwan on board the s.s. Wuhsueh at 8 p.m. December 10. Interviewed by pressmen prior to his departure, General Liu stated that he will devote all his attention to the Communist-suppression campaign upon his return to Szechwan pursuant to instructions from the Central Authorities. According to Dr. H. H. Kung, Minister of Finance, the flotation of a bond issue of $70,000,000 in Szechwan Province proposed by General Liu to meet the past deficits of the Szechwan Provincial Government has been abandoned following protracted discussions in Nanking, as other measures have now been devised.

Detailed measures for the political reorganization and financial readjustment in Szechuan were revealed December 8 following the recent conferences between General Liu Hsiang, and General Chiang Kai-shek, President of the Military Affairs Commission and Dr. H. H. Kung, Minister of Finance. Referring to the former, in addition to a complete reorganization of the Szechuan Provincial Government, the Central Authorities have also promised General Liu of military assistance in case of necessity. In order to hasten the eradication of the Red menace in Szechuan, the Government is prepared to send several divisions of troops to that province to assist the Szechuan forces in the campaign against the Communists. Regarding the question of financial rheabilitation, the Ministry of Finance has decided to establish a branch office of the Central Bank at Chungking and authorized the resumption of operation of the mints at Chungking and Chengtu. To carry out these measures, the Ministry has appointed Chen Shao-wei as its special representatie at Chengtu, who will shortly proceed to Szechuan. On the other hand, the Szechuan Authorities are required to remit all the national revenues to the Central Government, such as the Customs receipts, and the various other forms of national taxes.

In case of necessity, General Chiang Kai-shek, President of the Military Affairs Commission, might proceed to Szechuan to personaly direct the campaign against the Communist bandits there, declared Yang Yung-tai, Chief Secretary of the Generalissimo's Headquarters at Nanchang, in a press interview at Shanghai December 6. Mr. Yang said that General Chiang however had no such intention at present, as he had given definite instructions to General Liu Hsiang as regards the prosecution of the campaign. Mr. Yang further stated that in order to attend the final liquidation of the Red remnants in Kiangsi, the Provisional Headquarters of the President of the Military Affairs Commission at Nanchang would continue to function for the time being.

Sino-Japanese Diplomatic Activity in North China

A *Reuter* report from Peiping December 5 stated that during the last few days there had been considerable Sino-Japanese diplomatic activity in the old Capital. In the evening of December 4 Yin Tung, managing-director of the Peiping-Liaoning Railway, entertained a number of Japanese military leaders at dinner in Tientsin. Those present included Colonel Shibayama, Japanese military attache in Peiping, Colonel Giga, representative of the Kwangtung Army at Shanhaikuan, Li Cheh-I, member of the War District Liquidation Commission, and Tao Shang-min and Yin Ju-keng, administrative inspectors of the Luantung and Miyun-Chihsien areas, respectively. Immediately after the dinner Mr. Yin left for Peiping by special train, arriving there at 1 o'clock the next morning. He called on General Huang Fu, chairman of the Peiping Political Council, at 8 a.m. and was closeted with him for three hours. At noon, Mr. Li entertained a number of officials at tiffin. Mr. Yin and others active on the Sino-Japanese diplomatic front were present.

It is thought in Chinese circles that some important negotiations relating to North China are going on. This belief is increased by the fact that Yin Tung, Yin Ju-keng and others, who are usually easily accessible to Chinese newspapermen, have now declined to receive pressmen.

Oriental Tourist Bureau to Operate P.M.R. For 3 Years

The Oriental Tourist Bureau, a Sino-Japanese organization which has operated the Peiping-Mukden through express service for the last five months, will continue the service and has been granted a three year contract, it is reported in Peiping. The present contract expires on December 31, 1934. Chang Shui-chi, managing director of the Bureau, has been reaffirmed in his post as no major reorganization is expected to take place. Mr. Chang is expected to proceed to Nanking and Shanghai to continue discussions with the Central authorities and the China Travel Service.

Japanese Complete Aerodromes in Tientsin and Dolonor

The huge Japanese aerodrome near Nankai University campus at Palitai in Tientsin has been completed with hangars big enough to house 20 fighting planes. The field is equipped with the most up-to-date flying apparatus, weather indicators and oil tanks.

The construction of this aerodrome aroused considerable protest from Chinese circles several months ago but so far nothing has been satisfactorily settled. It is stated that Chang Ting-o, the new Mayor of Tientsin, will continue negotiations with the Japanese consular officials at Tientsin regarding the aerodrome.

Information reaching Tientsin reports that the Japanese military have completed a new aerodrome at Dolonor. Modern hangars have been erected and at present there are seven aeroplanes, including bombers and scouting machines.

Northern Merchants Petition Embargo on Silver Export

In order to prevent the Japanese and "Manchukuo" agents from absorbing the cash silver from North China by flooding the Northern market with the paper notes of the puppet Government, the various Chambers of Commerce in Tientsin and the Luantung Area have jointly petitioned the Central Government to impose an embargo on the export of

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silver from Tientsin. According to statistics of the Tientsin Customs, during the past few months, more than seveeral millions of cash silver have been shipped to Manchuria, but as a result of the enforcement of the silver export tax, the exports have somewhat decreased. In order to check the further outflow of the white metal, the northern merchants in their petition recommended that a restriction be imposed that each person leaving Tientsin shall be allowed only to carry with him the maximum amount of $500.

Fifty-two Korean and Japanese gamblers were arrested and a large quantity of gambling paraphernalia were seized in the night of Dec. 6 by the Chienan district police at Chienchangying. Drugs and other opium-smoking equipment were also seized. It is stated that many gambling dens have been operated in the demilitarized zone for the last two years by Korean and Japanese ronins who have reaped a handsome harvest from the gamblers who frequent those places from Manchuria and places south of the Great Wall.

Gen. Huang Fu Decides to Takes Up Nanking Post

General Huang Fu, Chairman of the Peiping Political Council, has replied to Wang Ching-wei, President of the Executive Yuan, saying that he will leave for Nanking to assume his concurrent post of Minister of the Interior as soon as he has wound up some of the more urgent affairs of the Council in Peiping.

Peiping Political Council Will Be Abolished

Dr. H. H. Kung, Vice-President of the Executive Yuan and concurrently Minister of Finance, in an interview with the press at Shanghai Dec. 6, stated that the Peiping Political Council would shortly be abollished, but he was not certain whether the abolition would be effected immediately after the close of the 5th Plenary Session of the C. E. C. at Nanking. Dr. Kung explained that the Council, being provisional in nature, was created to meet the exigencies of a special situation which now no longer existed.

A telegram from General Ho Ying-chin, Minister of War, states that he will return to Peiping to resume his duties as concurrently Acting Chairman of the Peiping Branch of the Military Affairs Commission on the 20th inst. General Ho left for the Capital in October to attend to the affairs of the Ministry of War.

Peiping Gets Nanking's Support on Tourist Plan

Peiping has received the support of the Central Government to make it a cultural and tourist center. Regulations governing the organization of the Peiping cultural improvement committee as submitted by the Peiping Political Council through Yuan Liang, mayor of Peiping, were approved by the Executive Yuan at its weekly meeting Dec. 12. The proposed committee, according to the regulations, will be placed under the jurisdiction of the Peiping Political Council. The main functions are to devise measures for the improvement of cultural institutions and objects in the old capital and to effect unified administration of matter affecting cultural promotion. The proposal for the establishment of the cultural improvement committee, it is learned, is closely connected with Mayor Yuan Liang's plan of making Peiping the biggest tourist center in China, which was approved by the Executive Yuan at a previous meeting. The project is under serious consideration of the central authorities.

General Chiang Kai-shek, President of the Military Affairs Commission, following his recent visit to Charhar province, has consented to appropriate annually a sum of $100,000, for the promotion of education in the province. Out of this sum, $30,000 will be expended on training for afforestation work, $20,000 for the opening of courses in animal husbandry in vocational schools, and $40,000 for the promotion of popular education.

The proposal for the reorganization of the Tientsin Municipality into a Special Municipality has been approved by the Central authorities. The reorganization will be carried out after the removal of the seat of the Hopei Provincial Government to Paoting.

An 80-foot ancient boat resembling one of the famous dragon boats, believed to belong to the Tang Dynasty, was unearthed by a farmer, while he was digging in his vegetable fields recently at Liangchwang in Southern Shantung. Hidden in the boat were also a dozen huge porcelain vasses each with three handles as well as a large quantity of ancient coins. The find is now being exhibited in Tsinan. Further study of the area is being pushed by Chinese scholars and archaeologists.

The 11th annual meeting of the Chinese Geological Society is scheduled to be held in Peiping on February 14 next in the Department of Geology of the National University of Peking, according to a resolution adopted at a meeting of the Society Dec. 8. Members of the society in different parts of the country will be notified of the date of the annual meeting in due course and requested to attend.

Nanking to Station Resident at Lhassa

In order to cement the relations between the Central Government and Tibet and facilitate direction of affairs in that border territory, the Executive Yuan has decided to station a Resident at Lhassa, capital of Tibet. It is understood that Liu Pa-chen will be appointed the Resident with Chiang Chi-yu as his Associate.

General Huang Mu-sung, Special Commissioner to Tibet, reached India Dec. 7, according to a cable message from him to the Mongolian and Tibetatn Affairs Committee. He left Lhassa, capital of Tibet, on Nov. 28, and is due at Calcuttta on the 15th inst. From Calcutta, he will proceed to Shanghai and expects to arive at Nanking early in January.

In order to promote closer relations between the Mongolian authorities and the Central Government, the Mongolian and Tibetan Affairs Committee has decided, from January next, to summon to the Capital at regular intervals the ranking officials of the various Mongolian Banners and Leagues. To accommodate the Mongolian visitors, the Committee will petition the Central authoritiees to construct a special building for their reception.

Another fleet of omnibuses left Kweihua Dec. 10 for Hami, eastern Sinkiang, along the Sinkiang-Suiyuan Highway. Besides a full cargo, there were 14 passengers, including Prince Min of the To-Erh-Te-Tribe in Sinkiang.

Foreign Newspapers to Register

Foreign newspapers or periodicals published in China must register with the Ministry of Interior before February, 1935, according to a *Kuo Min* telegram from Nanking. Those which fail to conform to this regulation—which is obligatory on Chinese papers—will be deprived of their special postal privileges.

Anti-Opium Drive in Nanking

Acting on the orders of General Chiang Kai-shek, the entire police force in the Capital has been mobilized during the last few days to purge the city of opium smokers. As a result of the clean-up, more than 2,000 addicts have been kept under detention. They will be released within one month as soon as they are completely cured.

Nanking Consumes $200,000 Worth of Cigarettes Monthly

According to latest statistics compiled by the Nanking Municipal Government, the average consumption of cigarettes in the Capital is valued at $200,000 monthly. The statistics show that native cigarettes are enjoying increasing sales, while the popularity of imported tobacco is rapidly declining.

Statistics of Vehicles in Nanking

According to announcement made by the Public Works Bureau of the Nanking Municipal Government, the number of registered private automobiles in the Capital has now reached the figure of 1,378, representing an increase by ten times compared with the year of 1927 before the establishment of the National Government at Nanking. The total number of buses is 67, owned and operaed by the Kiangnan and Hsinhwa Bus Companys. Bicycles registered total 3,626. The number of rickshas is 10,188, while that of carriages, 335.

Two Dope Manufacaturers Shot After Conviction

Convicted of manufacturing morphine and poisous drug pills, two men rounded up in connection with seven others some time ago in Tienpao Road and Ling Ping Road in Chapei territory, were shot on the execution ground in Lunghwa by the firing squad from the Nantao Military Court Dec. 12. The execution of the death penalty was carried out

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following the recent order by General Chiang Kai-shek, chairman of the National Military Affairs Commission, in accordance with the provisional regulations governing the smuggling and manufacturing of opium substitutes. The two, Chang King-piao, 48, Ningpo, and Han Pang-chieh, Shao-hsing, were manager and engineer of a large morphine plant and were rounded up some time ago in Chinese territory, when a large amount of narcotics, a car and seven other smugglers were seized. Found guilty of complicity in the narcotic dealings, the seven were given jail terms by Judge Tao Pah-chuan of the local Military Court shortly before the order of death for the two executed prisoners was issued.

Chinese Press Opinion

Dr. Eddy Condemns Selfishness

The *Shun Pao* sees a timely warning to the Chinese people and an appropriate remedy for the ills of China in the lectures given by Dr. Sherwood Eddy, the American Y.M.C.A. leader and lecturer, in Shanghai.

The editorial says: "Dr. Eddy shares our opinions when he declarees that one of the greatest evils in China to-day is selffishness. Leaving the affairs of the public in the rear and placing individual desires first, it is naturally difficult to see how can we improve conditions in our country.

"Dr. Eddy is a Christian leader and has come to propagate the Christian faith. He has seen the ills of the country and has prescribed Christianity for the remedy. Christianity came to China many years ago, but there are only a few who really understand and carry out its principles. We believe that Christianity has two excellent points: first, the individual is not the centre of activities; secondly, the principle is to benefit others. We believe that if we can put these principles into action there is a chance to change our selfish attitude."

Chiang's Interview With Tachibana

The *Min Pao* in an editorial sees in the interview granted by General Chiang Kai-shek to Tachibana, correspondent of the *Osaka Mainichi Shimbun*, the importance Japanese are taking in Chinese affairs. However, this journal asks whether Mr. Tachibana is foolish or whether he is ignorant by asking some of the questions on matters for which Japan is so obviously responsible. The editorial follows in part:

"We want to warn Japan that as long as her militarists continue their territory-grabbing movement in China, the Chinese people will continue to resist the Japanese. This is the only logical way and cannot be altered. China and Japan are both members of the League of Nations. There is a possibility for the solution of the difficulties between the two nations through peaceful means. Japan has withdrawn from the League and has torn the Covenant to pieces. A Japanese journalist now comes and asks the highest Chinese military official what is the best method for the solution of Sino-Japanese problems. Is Mr. Tachibana really ignorant or is he foolish?"

Nanking Officials to Canton

A call for unification and sincere co-operation between the South-west Political leaders and Nanking officials is voiced in an editorial of the *China Times* which comments on the trip to Hongkong of Sun Fo and Dr. Wang Chung-hui. The fact that the South-west has sent representatives to Hongkong to meet the delegation from Nanking is interpreted by this journal as a hopeful sign that the southern leaders are willing to come together once again to meet the problems of the nation.

"We sincerely hope the South-west Political leaders will recognize their responsibilities and immediately lend a co-operative hand to the Central Government. In such a spirit not only will the Kuomintang Party be benefited, but the whole nation as well."

Call to Fight Drug Evil

Commenting on Dr. Victor Hu's statement to the Opium Advisory Committee of the League of Nations on November 23 that the fight in China against drugs cannot be carried out solely by China alone but needs badly the Powers' collaboration, particularly those having extraterritoriality in the settlements, concessions and leasehold territory over which China has no full control, the *Sin Wen Pao* sees such a step ineffective and issues a call to the people of the entire nation to have self-determination individually and to act together to fight this drug evil. The editorial in part reads:

"We are a people who desire things good. We must sincerely realize that by being individually good we can be of great help to improving the conditions of the world. By saving ourselves we are saving others. We can do many other things in this same spirit, not merely in the opium question alone."

Ways to Rule the Nation

The three methods of ruling the nation advocated by General Chiang Kai-shek receive the hearty endorsement of the *Min Pao* which says that the road to enlightment rests on these principles and should receive the support of all the people. Commenting on these three methods this journal says:

"General Chiang advocates three methods to rule the nation: 1. In dealing with the communist-bandits 70 per cent political measures and 30 per cent military force are needed. 2. Peace and order must be established internally to enable China to face the problems from outside. 3. To carry out the principles of the New Life Movement.

"Now that the communist menace is over, it is time that 100 per cent of our energy should be directed towards political measures in restoring peace and order in the country. The citizens are the objectives of politics. The activities of the citizens are limited by law. The more laws there are the more problems the nation will meet. If the laws of the nation are unable to check the activities of the people one must turn to moral teachings such as are embodied in the principles of the New Life Movement."

A Reply to the Osaka Mainichi

Commenting on the report published in the *Osaka Mainichi*, the *Min Pao* says:

"On Nov. 1 the *Osaka Mainichi* published a story charging that the foreign diplomacy of Wang Ching-wei is insincere. There are three points in this story: Mr. Wang's policy to resist Japan on the one hand and to open negotiations on the other is to preserve China while wearing a mask to fool Japan. Secondly, if Japan meets an international crisis this policy towards Japan will be altered. The Anglo-American group in China wants to get help from England and America to knock down Japan. Thirdly, Japan cannot let this matter drift along but must consider her 'rights' and use force to make China come to her senses.

"In fact" the paper comments, "the party that should come to its senses is not China but Japan. If Japan can let go of her militaristic policy, respect the rights of others and return to the fold of the League of Nations, it will lead to a satisfactory and peaceful solution of Sino-Japanese problems and will pave a way for better and friendlier relations in the future. If Japan continues to remain militaristic she must remember there are other countries in the future which will be strong enough to defeat her."

China Must Help Herself

The *China Times* expresses appreciation for the British and American stand made at the Naval Disarmament Conference on Nov. 26 when both nations came to a joint understanding that China's sovereignty and territorial status quo must be mained.

The editorial in part reads:

"We are exceptionally gratified over the stand which England and the United States have taken in the London Naval Conference. We believe that right still has a place in international affairs and cannot be entirely ignored. Justice still reigns in the breasts of many people and the British and American delegates have made known this fact to the world.

"However we should not, because of the attitude of England and the United States, forget the policy of helping ourselves and to be prepared. We must not be too optimistic that justice can check the actions of aggressors."

The Growth of Shanghai Industry as Shown in the Indices of the Development of Power Consumption

THE marvelous development of Shanghai as a manufacturing city is partly due to its strategic location, but the main reason for it is the fact that there is a plentiful supply of cheap electric power. The early Municipal Fathers did a wise thing when they embarked upon Municipal ownership of the then small electric light plant. Those that came after had vision and deve oped it into one of the finest plants in the world. The successor to the Electricity Department of the Shanghai Municipal Council is the Shanghai Power Company, which has built up an even greater organization. The following records of the Shanghai Power Company have been prepared by an expert. They appeared originally in the *North China Daily News*.

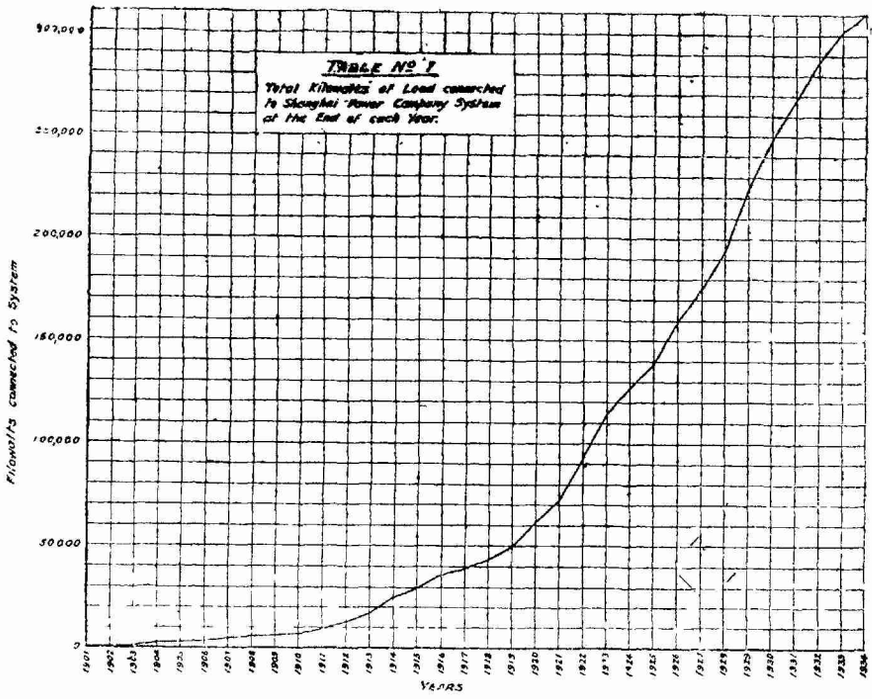


TABLE Nº 1
Total Kilowatts of Load connected to Shanghai Power Company System at the End of each Year.
Kilowatts connected to System
YEARS

Steady General Growth

Table No. 1 shows the growth of electrical consuming devices connected to the company's service (a steady rise to over 300,000 kilowatts of load in 1934 from almost nil in 1901, 50,000 in 1919, 200,000 in 1928). This table brings out the continued uninterrupted growth of current consuming devices of all kinds and shows that the growth is steadily continuing.

This table serves as a guide to the actual expansion of the city as a whole.

Table No. 2 shows the total kilowatt hours used each year. This table shows a steady increased growth of business as a whole including, besides industries, large buildings of all description and residences (from almost nil in 1901 to 100,000,000 in 1919 to 500,000,000 in 1928 to over 700,000,000 in 1934). This table is not only an indication of the growth of Shanghai as a whole but also takes into consideration the volume of business being done. It also brings out the fact that after each disturbance industry has in the past immediately recovered to an increased volume of business and resumed its natural increase in growth. In the years of 1925, 1927 and 1932 there were disturbances in Shanghai and the volume of industrial activity decreased for those years. It should be noted, however, that in the following year industry recovered to approximately what might have been expected had there been no disturbance. It is a remarkable illustration of the recuperative power of the community and its ability to overcome adverse factors.

Industrial Activity

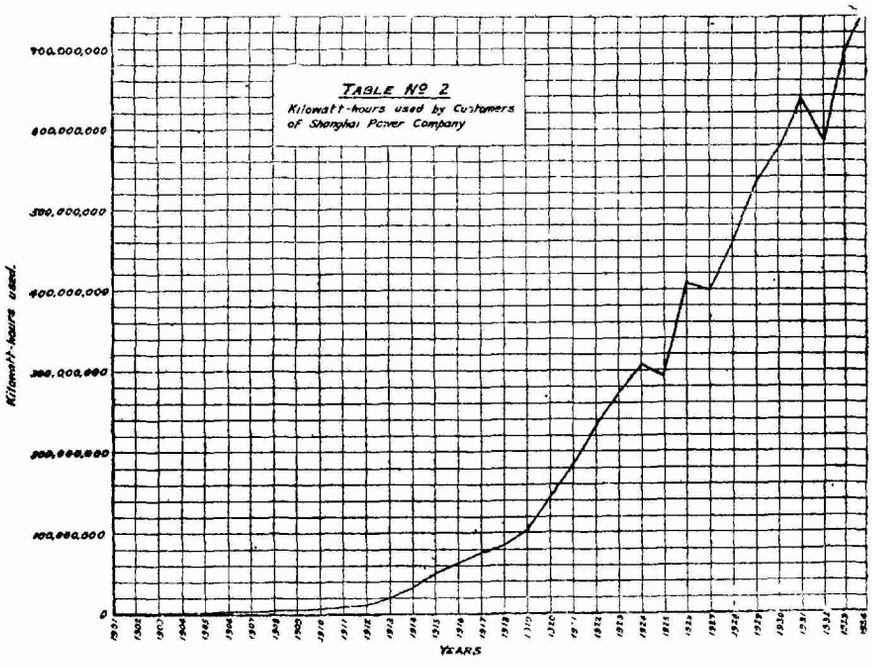
Curves in Table No. 3 shows a comparison of kilowatt hour sales to large industries only for the years 1931 to October 1934 inclusive and convey a fair conception of the present industrial activity in Shanghai. It will be noted that except for the months of February and March, 1934, the industrial activity is higher than in the preceding years and is continuing at this date to show that the volume of industrial activity is higher than in any of the preeding years.

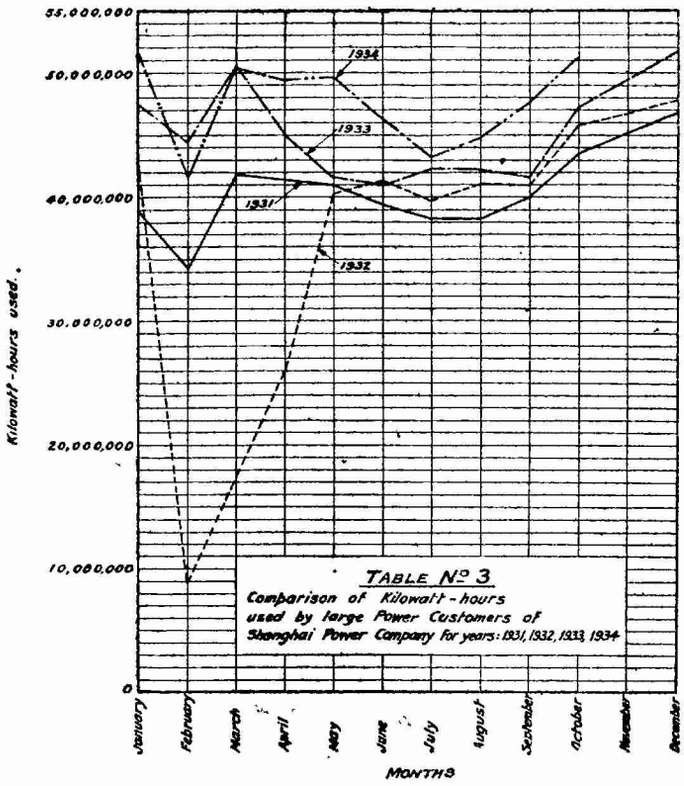
These curves illustrate also how accurately they portray industrial activity, as it will be noted that in the years 1931, 1933 and 1934 there is a drop in February caused by the China New Year holiday during which time industries shut down. The deep dip in the 1933 curve was caused by the Sino-Japanese difficulties at that time. It is also noteworthy that in 1934 the drop in industrial activities for the China New Year was greater than in the previous years and did not return to normal as rapidly as before. This corresponds with the resumption of more universal and longer celebration of China New Year in 1934. These particular points are noted to bring out the fact that the kilowatt hour sales are an extremely accurate and sensitive indicator of the volume of industrial production.

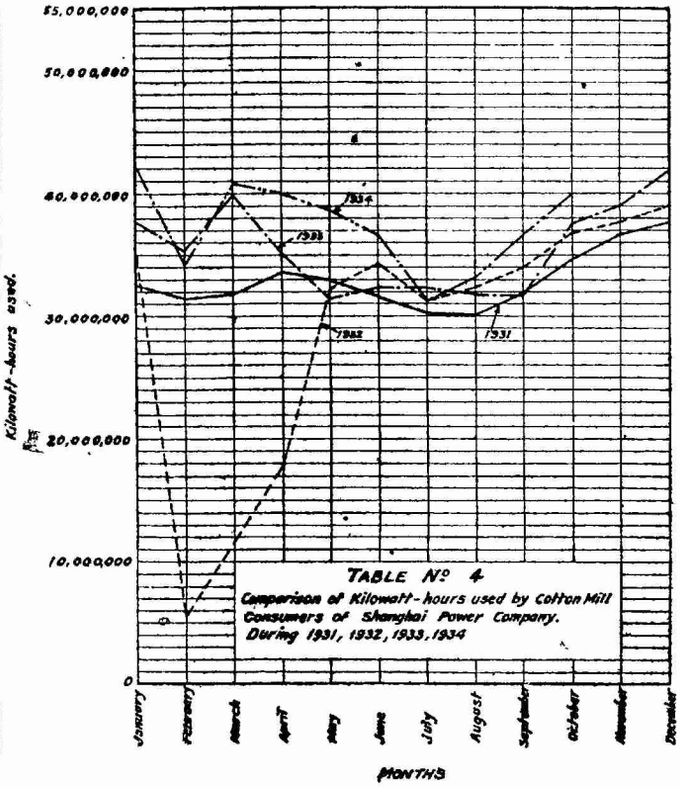
Cotton Mill Indices

As there is a great deal of interest in the activities of the cotton mills it is interesting to examine the kilowatt hour sales to that industry as shown in Table No. 4. This clearly demonstrates that except for the month of February, 1934 and a temporary reduction in July, 1934 the volume of industrial activity during 1934 to date is ahead of anything experienced in the past. The curves demonstrate the curtailment of production in 1933 which took place in May and continued until September, after which production returned to normal and showed an increase over the previous years.

The examination of kilowatt hour sales to other industries shows clearly the activities of the particular industry. Flour mills during the early part of 1934 show a considerable reduction in production but since May have been running at the same







general average maintained in 1933, and in most instances higher than in the previous years.

Rubber mills on the whole show a slightly less production than in 1933.

Manufactured ice reflects the extremely hot summer. The business shows an increase over any previous year and the increase during the months of May, June, July and August show materially higher than any previous year.

Tobacco and cigarette manufacturing factories show a less production early in 1934. During the summer, business averaged slightly under 1933 but has shown a substantial fall pick up.

Silk mills within the International Settlement show that 1934 production is ahead of anything previously This is very much to the contrary of general opinion regarding this industry.

The largest increase in production activity is in miscellaneous textiles, which consist of a large number and variety of small manufacturers of textile goods, mostly of those manufacturing the ultimate finished product. The volume of production for 1934 shows that it is almost double that for 1933 and approximately 2½ times the volume experienced in 1931.

Metal working plants show that the volume of production in 1934 is running approximately 30 per cent ahead of that for 1933.

Continuing to Grow

The general conclusion can be reached from this data that Shanghai in 1934 is continuing to grow. Its volume of industrial production has steadily increased and while the trend is not as rapid as in certain previous years it is substantial and steady. The data of course in no way measures the profitableness of industry but the general conclusion must be reached that industry as a whole must be making profits, or the industrial volume of activity would be forced to drop off. While of course there are individual industries and possibly individual classes of industry that have not shown the progress and activity in 1934 that they have in previous years, taking all industry combined there can be no doubt that business is continuing to make progress.

Because of the large diversified service of the Power Company to all varieties of industries, the kilowatt hour sales Table No. 2 give a true picture of the industrial activity in Shanghai as a whole. This large diversity of service greatly stabilizes the business of the Power Company and eliminates the extreme fluctuations in business often experienced in industries of one class of business.

Three Billion Dollars a Year for Liquor in U.S.A.

Americans spent about $3,000,000,000 for alcoholic drinks since the repeal of prohibition a year ago. This was equally divided between legitimate and "bootleg" liquor.

HUGH SLIDE ON CANADIAN SIDE OF NIAGARA FALLS

A mass of table rock, estimated as weighing around 200,000 tons, broke away from the crest on the Canadian side of Niagara Falls, Dec. 6.

Good Times Just Around the Corner Once More

The United States is on the eve of an unparalleled business rise, according to a forecast made by Dun and Bradstreet Dec. 7. The past two and-a-half months have shown more constructive effort applied to fortifying the basis of business expansion than any similar period in the last 18 months, the nation-wide commercial agency reported.

Business will move at an increasing tempo through the winter and will continue to show a gradual improvement through the spring, it was predicted on the same date by Secretary of Commerce Daniel C. Roper.

Validity of Moratorium For U.S. Farmers Is Affirmed

Federal Judges Artineau and Ragon at Little Rock, Ark., Dec. 7. upheld the validity of the Frazier-Lempke Farm Bankruptcy Bill, which gives the farmers a five-year debt moratorium.

Senator King Believes Silver Will Reach U.S.$1.29

Senator William H. King, Democrat, from Utah, following a recent conference with President Roosevelt at the White House reiterated his belief that under the existing laws the price of the white metal will reach $1.29 an ounce.

China was the principal source of silver imports into the United States during the week ended November 30, according to figures made public Dec. 7.

North China Authorities Tighten Up Silver Export Regulations

Acting under instructions from the Tientsin Customs, the various branch Customs stations along the Great Wall issued proclamations Dec. 7 forbidding the shipment of silver from points inside the Great Wall to the four Northeastern Provinces. The maximum amount of silver allowed for a pedestrian to carry out is fixed at $50.

A new set of measures restricting the export of silver was announced by the Shantung Provincial Department of Finance Dec. 7. No person will be allowed to transfer from one district to another, in Shantung province, a sum exceeding $300 in silver, and no one travelling from Shantung to other provinces or abroad may take with him more than $20.

Amoy Customs authorities report considerably increased revenue, mostly attributed to duties paid on exported silver.

The *Osaka Mainichi* reports that the flight of silver from Shanghai inland is increasing.

Hongkong as the World's Leading Airway Base

(By Our South China Correspondent)

MUCH interest has been caused by the announcement made on November 15 by Lord Hailsham regarding, the development of Hongkong and Singapore as the British Government's Far Eastern air bases. The Government would spend £50,000 on the Hongkong air base and £80,000 on Singapore. Lord Hailsham added that the two bases would be brought closer together by the inauguration of an air service linking them and that planes for some time have been surveying the route between these two points. While the announcement made by Lord Hailsham at the London House of Lords may be of considerable interest to the outside world, it appears that the £50,000 expenditure for Hongkong is, indeed, an accomplished fact. For when the acting Colonial

Thousands of Canton citizens and Kuomintang members attended the recent "Air Defence Meeting" held in Canton and sponsored by the Canton military authorities for the purpose of securing $1,000,000 in donations from wealthy Canton landlords to purchase new airplanes for Canton's defence.

Secretary of Hongkong, the Hon. Mr. D. W. Tratman, was interviewed by Press representatives on this subject this week he said that the £50,000 referred to had been spent on Kai Tak Aerodrome in Hongkong. The new administration buildings and officers quarters in Kai Tak Air Base, the purchase price of the old hangar and compensation to the Hongkong Government has already absorbed the £50,000 voted for the Hongkong Air Base, continued the acting Colonial Secretary.

Mr. Tratman said: "The money paid to the Hongkong Government as the purchase price for the old hangar and as compensation for the land taken over by the Air Force, is being utilised to build a new civil hangar and for general improvements to the aerodrome. Further improvements will be put in hand shortly. These will include the widening of the aerodrome to take in the rice paddyfields on the other side of the road, which will necessarily be diverted."

Hongkong's Geographical Advantages

Essentially a commercial and free trade port with a population of a little less than 1,000,000, Hongkong is eminent for its advantages as a shipping centre in South China, because of his fine harbor and efficient communications maintained between it and the capital of Kwangtung, Canton. Its proximity with South China's vast interior on the one hand and Japan and the Philippine Islands on the other hand has many times been emphasised by the advocates to make Hongkong a British air base. As an observer once put it in these following words: "More than £650,000 is being spent on another base at Singapore-one of the Empire air gateways to the Far East and Australia. At Hongkong £151,000 is being spent on air base work for the naval air arm squadrons in the Far East. China, with its turbulent, restless millions, surround it. Over the sea in front lies Japan, the world's danger spot. Many people consider it that at any moment Japanese fighting airplanes may wing their way across that sea. At Hongkong they will find a hornet's nest waiting for them. A series of emergency lancing grounds is to be constructed from Singapore down the coast to Burma and the Federated Malay States."

Describing the British Government's plan for air defence in its colonies on the whole the same writer says: "Nearly £2,000,000 is being spent by the British Government on a chain of Royal Air Force bases along the air lanes of the Empire. The chief of these will be at Dhibban, Iraq, fifty miles from Bagdad. This aerodrome alone will cost more than £1,000,000 to build and equip. Construction has started. When completed it will be probably the most formidable air force station in the world. Every type of fighting airplane will be housed there. There will be accommodation for several thousand men. As an air base Dhibban will be one of the main defence points of the commercial air routes of the British Empire."

Kai Tak's Vital Developments

Not only has the British Government paid due attention towards making Kai Tak aerodrome a point of aerial defence in Hongkong, but there are indications that in the near future Kai Tak is destined to become one of the most important aerodromes in the Far East. Not long ago the Hongkong Government advertised for tenders to build the foundation for a new hangar, which ,when completed, will double the existing facilities for "garaging" aeroplanes. When the new hangar is completed, it will be used for civil and commercial planes, while the existing hangar, which is now shared by the Royal Air Force and the Civil authorities, will be handed entirely over to the Air Force. New slipways for seaplanes are being laid down and the landing field is being extended. Before the end of the year, the landing field, which runs from west to east, will probably be broadened, so that planes can also take off or land in a north-south direction. This will mean that the existing roadway leading to Kai Tak, may also be altered.

Erection of substantial living quarters and canteens for the Royal Air Force has almost been completed.

Air Mail Services Considered

Despite these vast progress made in Kai Tak, it is noted that Hongkong is not yet linked up with any other countries by any air mail. Its neighbor, Canton, now maintains an air service with Shanghai (run by the Eurasia Aviation Corporation) and also there is a Canton-Hoihow air service (run by the South-west Aviation Corporation, which is partly financed by the south-western provincial authorities.) The Canton-Lungchow air service via Wuchow and Nanning (capital of Kwangsi) has only been suspended at a recent date. It appears that what hinders Hongkong is the difficulty in obtaining permission from the Chinese Government for British commercial planes to fly over Chinese territory from Siam or Rangoon to Hongkong. Negotiations with the Chinese Government are progressing favorably and there are some prospects that before the end of 1934 a regular air-mail service will link Hongkong with England, Europe and Australia. Concerning the service between Hongkong and Singapore, hinted by Lord Hailsham at the House of Lords, it will be recalled that not long ago a partial survey was made during a Royal Air Force seaplane tour.

Meanwhile the French interests, which are also waiting permission from the Chinese Government to fly over its territory, are not inactive. The French have already built a large aerodrome at Hanoi in preparation for the Hongkong-Shanghai link. An experimental flight was, it will be recalled, made to Hongkong last year. Should permission from the Chinese Government be forthcoming, there is no reason why before the end of 1934, two regular air-mail services should not be operating to Hongkong. It is not only in commercial aviation that Hongkong will see a definite development within the near future. From authoritative sources it is learned that when H. M. S. *Hermes* returns to Hongkong in December, to relieve H. M. S. *Eagle* on the China Station, she will bring at least one squadron of torpedo-bombing machines with her. It is also stated that another squadron of fighting machines will be aboard Hermes.

Possible Route to America

The possibility of opening air routes between Hongkong and the United States of America was described by an American aviation expert in Mr. Francis Love, President of the United Aircraft Inc., when he was interviewed in Hongkong last year on his world tour. Mr. Love paid a warm tribute to the splendid work that was being done by Flight-Lieutenant A. J. R. Moss, Superintendent of Civil Aviation in the extension of the Kai Tak flying field. Mr. Love disclosed that two new routes to Hongkong from the United States were being studied, the first through the Aleutian Islands and the second via Wake Islands and the Philippines. Turning back to Hongkong he said that this little British Colony is going to be one of the biggest international airway bases in the world. It will mean employment for thousands of people and air experts."

What Happened in Canton

Realising the great importance of military and commercial aviation, the Canton Government has not lost sight of the chances of making Canton an air centre in South China. Apart from the old aerodrome at Taishatao, another new aerodrome is being opened at Shekpai near the terminus of the Canton-Kowloon Railway

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A bird's eye view of Hongkong, which is destined to become one of the biggest international airway bases in the world. On November 15 Lord Hailsham announced at the House of Lords in London that the Government would spend £50,000 on the Hongkong Air Base and £80,000 on Singapore.

Station. An extensive survey of aviation and its latest developments in both America and European countries including England was made by the Canton air department commander-in-chief, Wong Kwong-jui, during his tour abroad early this year. On his return to Canton not long ago, Wong Kwong-jui's recommendation to the Kwangtung Government for the opening of an aircraft manufacturing factory at Shiukwan in northern Kwangtung was received with great enthusiasm. Work on this factory has been started and it will cost the Government a little under $1,000,000 for construction and equipment.

When it is completed the factory will be capable of producing twenty aeroplanes a month and it is the Canton Government's pious hope to bring the existing force of about 100 aeorplanes to 200 in the coming year. The Government maintains its aviation school, from which scores of young aviators graduate annually and with few exceptions they all join the Government service. The air force, like the navy, is under the direct command of General Chen Chi-tang. The meritorious services done by Canton's aerial officers in the suppression of Communist revolts in northern Kwangtung from time to time and their suppression of the Naval revolt in Hainan against Chen Chi-tang in 1932 so impressed the latter commander that in the last two years more money has been spent on the purchase of aeroplanes than on the navy, although the aerial expenditure still comes second to the expenditure on the armies.

To teach the citizens to be air-minded, the Government and Kuomintang authorities organised a big "Air Defence Meeting" in Canton early this week, which attracted thousands of spectators. Air manoeuvres given by Government aeroplanes during the few days of the opening of the Meeting delighted thousands of spectators. Speeches on the importance of defending Canton and Kwangtung from the air were delivered by Government leaders. But the most important part of the Meeting's program was the campaign to collect one month's rent from all Canton City landlords, amounting to over $1,000,000, which will go to the general fund to purchase military planes for the Government for national defence during the present national crisis.

Air Service Between U.S.A. and Hawaii Being Discussed

While Pan-American Airways are pressing their plan to start an air service between California and China, Inter-Island Airways have proposed the maintenance of a plane service between California and Hawaii, the U. S. Post Office Department announced Dec. 9. As a result, the Department will request Congress, at its next session, to subsidize American transocean air services.

U.S. Orders 50 New "Consolidated" Pursuit Planes

Fifty double-seater pursuit planes have been ordered by the U.S. war department. The contract was awarded to the Consolidated Aircraft Corporation, of Buffalo, New York, and is in the sum of $1,996,700. Construction of the planes will commence at once.

A Washington telegram Dec. 9 stated that the United States Department of Navy will seek additional appropriations in the next budget for increasing their air corps by 273 planes.

Five Planes Will Fly from Shanghai to Peiping to Be Named

Five training planes bought with the contributions of Peiping residents will fly from Shanghai to Peiping about December 20 to be named. The five machines will be named after the five classes of people in Peiping who made their purchase possible, namely, women, students, farmers, workers and merchants.

Five Hundred Arrests in Anti-Narcotic Drive

U. S. Treasury agents last week arrested more than 500 men and seized thousands of dollars worth of narcotics, in a nation wide round-up of dope peddlers. Among those to be gathered into the Treasury net were the president of the On Leong Tong and seven of his henchmen. The Chinese were arrested in a raid on the Leong Temple.

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A Renewed Attempt to Unify the Country

BY PAUL K. WHANG (汪 伸 芳)

DR. Wang Chung-hui, judge of the Permanent Court of International Justice, after having had conferences with Gen. Chiang Kai-shek and Wang Ching-wei, has once again taken a trip to the South to further his attempt to patch up the differences between Nanking and the Southwest. This is his second trip to the South within a short span of six weeks. But this time he did not go all by himself, and was accompanied by Sun Fo, president of the Legislative Yuan. The mission undertaken by these two notable political leaders is all the more significant at a time when an outbreak of open conflict between these two irreconciliable factions seems to be inevitable. Hopes are, therefore, revived that an early rapprochement might be effected as a result of this mission.

Our patience is literally taxed to the breaking point in respect of this peace and unification movement. For more than three years since the Japanese invasion of Manchuria in Sept. 1931, mediator after mediator has tried to solve this problem of irreconciliability, but so far they have not been able to find a solution which would be acceptable to both sides. The chasm which has separated these two factions seems to be too wide to be bridged by human efforts.

What has made their enmity so deep-rooted and their differences so irreconcilable? Even the national crisis has been nothing in comparison with their political and personal differences. They have been keeping on talking about terms of unification without being able to find a measure of compromise, although leaders on both sides have repeatedly declared their readiness to cooperate so as to save China from her present crisis. If they have been sincere in their declarations, how can we account for the fact that a program of peace and unification remains in the air after three long years' trial? Lack of sincerity on both sides or on the part of one of the parties has possibly prevented the talks of peace and unification from coming to a successful conclusion in the past, and will likely render all further attempts in these directions useless in future.

Nanking Always Conciliatory Toward Southwest

The Nanking Government, it must be said, has always assumed a very conciliatory attitude toward the Southwest. It has sent delegates after delegates to confer with the Southwest leaders and to explain the government policies in regard to domestic and foreign policies. It has on various occasions invited Hu Han-min to return to Nanking to take an active part in political affairs, and has even gone so far as to offer him a fat purse for a trip of inspection in foreign countries. In deference to the wish of the Southwest leaders, it has kept in abeyance a scheme of establishing a Customs House in Hongkong with the object of preventing smuggling on a large scale. And because of the opposition of the Southwest leaders, it has postponed the convention of the Fifth National Convention of the Kuomintang, which was originally scheduled on Nov. 12. Thus the leaders of the Nanking Government have gone more than half-way in trying to reconcile their differences with their political opponents in the Southwest.

But these friendly gestures on the part of the Nanking Government have not in any way softened the stubborn attitude assumed by the Southwest leaders. They have from time to time issued circular telegrams denouncing the Nanking regime and attacking its policy vis-a-vis Sino-Japanese problems. All these telegrams were signed by all the Southwest leaders headed by Hu Han-min. Thus Mr. Hu, although living in retirement in Hongkong, has seemingly become the leader of "Irreconciliables" and the chief stumbling block on the way to rapprochement.

In this connection, it may be of interest to read a recent *Reuter's* dispatch from Hongkong dated Dec. 3, which says, "The fact that the Southwest Political Council dispatched delegates to Hongkong to accord an official welcome to the Nanking envoys (Dr. Wang and Mr. Sun) indicates that the Southwest bloc is desirous of giving consideration to Nanking's overtures. The military leaders in Canton are conciliatory, and if Mr. Hu Han-min should see his way to accepting Nanking's terms, the continued opposition of the 'Irreconciliables' is not likely to prove stubborn or effective."

That Mr. Hu has a considerable following can not be gainsaid, but to say that he holds the key to the southwest political situation is to attach too much significance to his political activities. In these days when China's destiny is in the hands of men of arms, it sounds rather ridiculous that a political leader without a single soldier in his command can dictate his wish to such strong military leaders as Generals Chen Chi-tang, Li Tsung-jen and Pei Chung-hsi. If these military leaders desire to co-operate with the Nanking Government, Mr. Hu can not prevent them from so doing; and likewise, if they choose to continue their present semi-independence, he can not act otherwise.

Mr. Hu, therefore, is far from being a dominant leader, but merely a tool utilized by these military leaders to serve their own purposes. As a matter of fact, they have assumed two faces in this connection. On the one hand, they have pledged their allegiance and loyalty to the Central Government; and on the other hand, they have encouraged their civilian colleagues to stiffen their stubborn toward Nanking's overtures. By so doing, they have passed the buck to their civilian colleagues and washed their hands off the failures in peace negotiations in the past as well as future.

The fact that they have chosen to pursue this policy is not without reasons. First of all, by assuming a conciliatory attitude toward the Nanking regime, they expect that they can draw financial support from the Central Government. The financial condition in Canton is in a precarious state, and for the first eight months of this year, the budgetary deficit amounted to as much as 13 million dollars. Gen. Chen Chi-tang has been always pressing the Central Government to reimburse the military expenses allegedly spent by the Cantonese forces in the bandit-suppression campaigns.

Secondly, the military leaders in the Southwest, in spite of active military preparations, are not yet ready for a major war with the Central Government. With the suppression of Red-banditry in Kiangsi and Fukien, the Nanking forces which are now heavily concentrated in Central China can easily invade Kwangtung and Kwangsi provinces. In face of this reality of the situation, they can not afford to take an attitude of open defiance, which will easily lead to conflict. Therefore it is to their advantage that they should profess loyalty and allegiance to the Central Government, so as to make their civilian colleagues headed by Mr. Hu scapegoats of the whole situation.

Public Opinion Definitely for Peace

And thirdly, they are not oblivious of the fact that the public opinion has been definitely for peace and unification, and that any attempt to block peace and unification will not be countenanced by the people. The Nineteenth Route Army, in spite of its wide popularity among the people, has become infamous as a result of its participation in the Fukien Rebellion last year. Mr. Hu, because of his irreconciliable attitude toward the Nanking regime, is no longer as much respected and admired as he was before. Those military leaders who have entertained wide dreams can not afford to lost the public support. Thus they must make the people believe that they have been always ready to co-operate with the Central Government.

Such being the case, it is clear that the success or failure of the present peace and unification mission depends solely on the attitude of these strong military leaders. If they are really sincere in their professions, Mr. Hu's stubbornness can not in any way block the successful conclusion of the present mission; and on the other hand, if they still suspect every movement of the Nanking regime, even though Mr. Hu has actually come to Nanking to take an active part in political affairs, unification of the country will remain 'a castle in the air'.

The Nanking leaders have already given much evidence of their willingness to co-operate with the Southwest leaders, and it is now up to the latter to make equal show of their sincerity and readiness. If both sides can sink their personal prejudices and assume a compromising attitude, their differences, no matter how wide apart they are, can be reconciled without much difficulty. It is our fervent hope that the leaders in the Southwest should take advantage of the present visit of Dr. Wang and Mr. Sun and lay their cards on the table without reserve, so that all the political controversies can be definitely settled and the long expected unification of the country can become a realty.

No matter what will be the outcome of his mission, Dr. Wang must be praised for his indefatigable and painstaking efforts in his endeavor to contribute a great service to his country. Through his long stay in Hague and close association with foreign government, he knows better than anybody else that China's salvation lies in the unification of the country. Thus after he came in August, he has devoted his whole time and energy to this task of bringing the country into unification. May we hope that his wish will be realized in spite of great difficulties.

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THE GIST OF JAPANESE PRESS OPINION

The unpleasant existing social aspects are due to the excessive restriction of the freedom of speech. We advise the political parties to use their freedom during the present session of the Diet. By so doing, they will for the first time be enabled to recover popular credit.—*Tokyo Hochi.*

The acrimonious interpellations by Dr. Iwata in the Upper Chamber on the alleged trampling of judicial officials on personal rights of the accused were categorically dismissed by the Justice Minister as "groundless", but the Minister's mere denial is not likely to remove the popular suspicions about such abuse of judicial rights.—*Tokyo Nichi Nichi.*

The allegation that judicial officials put certain prisoners connected with the Treasury Scandal to tortures considerably shakes popular confidence in judicial administration. The Diet interpellations on the subject thus afforded the judicial authorities a good chance of dispelling public suspicions. But this they have failed to do.—*Tokyo Jiji.*

It is prohibitive to criticise anything about what is under preliminary court examinations, but to call attention, as Dr. Iwata did in the Upper Chamber, to the suspected abuse of judicial right in examining the accused was quite just. As the Justice Minister declared, he has now a good chance of removing such suspicions.—*Tokyo Asahi.*

It is not surprising that France and Italy declined Japan's proposal for joint notice of terminating the Washington Pact. But what is a serious surprise is the Powers' apparent impression that such notice was unfriendly and unpeaceful, when it is a mere treaty procedure and only a preliminary to a fairer pact.—*Tokyo Asahi.*

If America is still obsessed with the so-called "hands-off" policy in the Amau Statement, it would not be against Japan's dignity to take more pains to make it clear. No political agreement could change Japan's claim of parity, but she is prepared to consider such agreement on the basis of the proposed parity. —*Osaka Asahi.*

The American attitude at the London Pourparler might be regarded as a foreshadow of the anticipated international crisis of 1935-36. Deadlocks at the London pourparler might easily extend to Japanese relations with Soviet Russia and China. The situation needs reconsideration by all.—*Tokyo Kokumin.*

Not that Britain and America fail to recognize the propriety of Japan's claim at the pourparler, but because they are afraid of Japan's future activities in the Far East, they hesitate to agree to the theory of parity. The source of dissension thus lies in their warped views of Japan. Correction of this is the first necessity for agreement.—*Tokyo Kokumin.*

It is true that Japan is adamant in her attitude on disarmament. But this does not mean that she will not listen to a better plan than her own. The trouble is that the Powers rather than offer a substitute plan, criticize Japan's plan. They must change their attitude.—*Tokyo Chugai.*

Both the Seiyukai and Minseito interpellators in the Lower House seem to concentrate their fire on the enormous military estimates in view of the unduly limited relief estimates. At the same time, however, they urge immediate notice of Japan's intention to abrogate the Washington Pact. This inconsistency of their attitude needs reconsideration.—*Tokyo Chugai.*

It is incomprehensible that it should be criticized as inconvenient or improper when Manchukuo proposes to exercise control over petroleum after the fashion of France and Spain. The countries that complain against the Manchukuo proposal should, first of all, abrogate their respective economic control, remove the high tariff walls, and establish the great principle of free trade, that is, materialize the Open Door principle.—*Katsuji Inahara, Editor of "Contemporary Japan."*

Chinese Army Officers Learn Art of Self-Defense Under U. S. Marine Instruction

(By a Special Correspondent in Peiping)

THE staid old Legation Quarter of Peiping, where Foreign Powers still maintain their diplomatic officials and attaches despite the fact that the capital of China has for seven years been at Nanking, is sprinkling its gossip and tittle-tattle these days with varied comments on the "new life" being injected into it by the (of all things.) American Legation Guard. Astonishing innovations are appearing. The conservative inhabitants of the Legation Quarter, like the conservative Chinese beyond its gray walls, are wondering what it all means. They are inclined to be distrustful of innovations, on principle. They find themselves somehow a little shocked, but not altogether displeased.

Col. Rixey didn't let that disapproval bother him. He ordered the opening of classes in Chinese for his troops, and now many a marine is busily poring over Chinese phonetics and radicals. He encouraged his men to study Chinese culture. While digging a foundation for a new building in the marine compound recently, workmen uncovered some old coins, pottery and fragments of porcelain from the Ch'ing, Ming and Sung dynasties. Col. Rixey ordered it all carefully catalogued. Moved by his interest, Peiping's sinologs added to the finds and helped complete a display which now ranges from the T'ang Dynasty. From this modest beginning the Guard is building up a collection of its own, an array of museum pieces for the edification of its members.

In the *Legation Guard News*, edited by the men, under the able supervision of Capt. Evans F. Carlson, Legation Guard Adjutant, one now encounters instructive items concerning China in nearly every issue. Therein, also, marines are encouraged to read and study and increase their understanding of the country. Cultural events of China, as well as military, are being noted.

"Boxer Uprising Returns to Peiping!"—American Marines Teaching Chinese Soldiers How to Handle the Leather Mits

Presiding genius behind the changes is Col. Presley M. Rixey, of the U.S. Marine Corps, genial, young-minded Commander of the American Legation Guard. Col. Rixey, who arrived in Peiping a year ago, brought with him a policy and attitude all his own. Whereas in the past the Legation Guard commanders of all nationalities tended to look upon the Chinese as potential "enemies," Col. Rixey thinks they should be treated as citizens of a friendly nation. He thinks them worth cultivating and helping.

He regards the Chinese troops, and their officers, as honored colleagues. This is news, for Col. Rixey is the first foreign commander to note that the Chinese officer is growing up, maturing. He believes the walls of the Legation Quarter, like those of Peiping itself, have served their day. The fewer walls between Chinese and foreigners, figuratively speaking, the better.

Marine Band Gives Free Concerts

In carrying out his policy Col. Rixey has made frequent use of the famed Marine Band. During the summer, free concerts, open to the public, were given not only in the Legation Quarter but also in the Chinese park. They were well attended and much appreciated. Concerts have also been given in Chinese universities, to the delight of the students. But some of the Legation Quarter grey-beards shook their heads. Bad policy—getting too friendly with the Chinese.

Then the Colonel permitted an entire school of Chinese cadets in a local military academy to inspect the Legation Guard Compound. This nearly shook some of the other legation guard commanders out of their well-polished boots. "We're supposed to be here to keep the Chinese out," said one European officer, "not let them in," when he was asked by the Chinese authorities to grant the same courtesy.

"It's absurd," thinks Col. Rixey, "for as finely intelligent a group of soldiers as the marines we have here to live in a great land like China for several years and go home knowing no more about it than when they arrived. Most of the men are interested to learn. All we have to do is give them the opportunity."

Chinese Officers Learn Art of Self-Defense

But it is in the realm of sport that he is most dramatically carrying out his policy. "Boxer Uprising Returns to Peiping!" might be a heading applied to a news story about the Colonel's latest innovation. But it's a different kind of "rising" from the one led by the "invulnerable" Chinese swordsmen of 34 years ago. It is concerned with the mounting interest of Chinese soldiers in Western "leather-pushing." Under the able tutorship of marine glove experts, Anthony Livingston and Ivan Cummings, six young Chinese officers and cadets of the 32nd Army, commanded by Gen. Shang Chen, are now learning the gentle art of self defense. In return, some of Gen. Shang Chen's men are teaching Chinese sword boxing to the Americans. Upon completion of their training the Chinese novices will become pioneer teachers of Western boxing to the entire 32nd Army.

Col. Rixey has also entered his marines in the Chinese intercollegiate leagues of sport. Marine teams in basket-ball, football and baseball play Chinese university teams. Competition is keen, the Americans by no means being constant winners.

Behind all this demonstration of good will the American Commander reasons in sound philosophical terms. "Wars are caused by misunderstandings between peoples," he believes. "The more men of different races know of one another, the less chance there is

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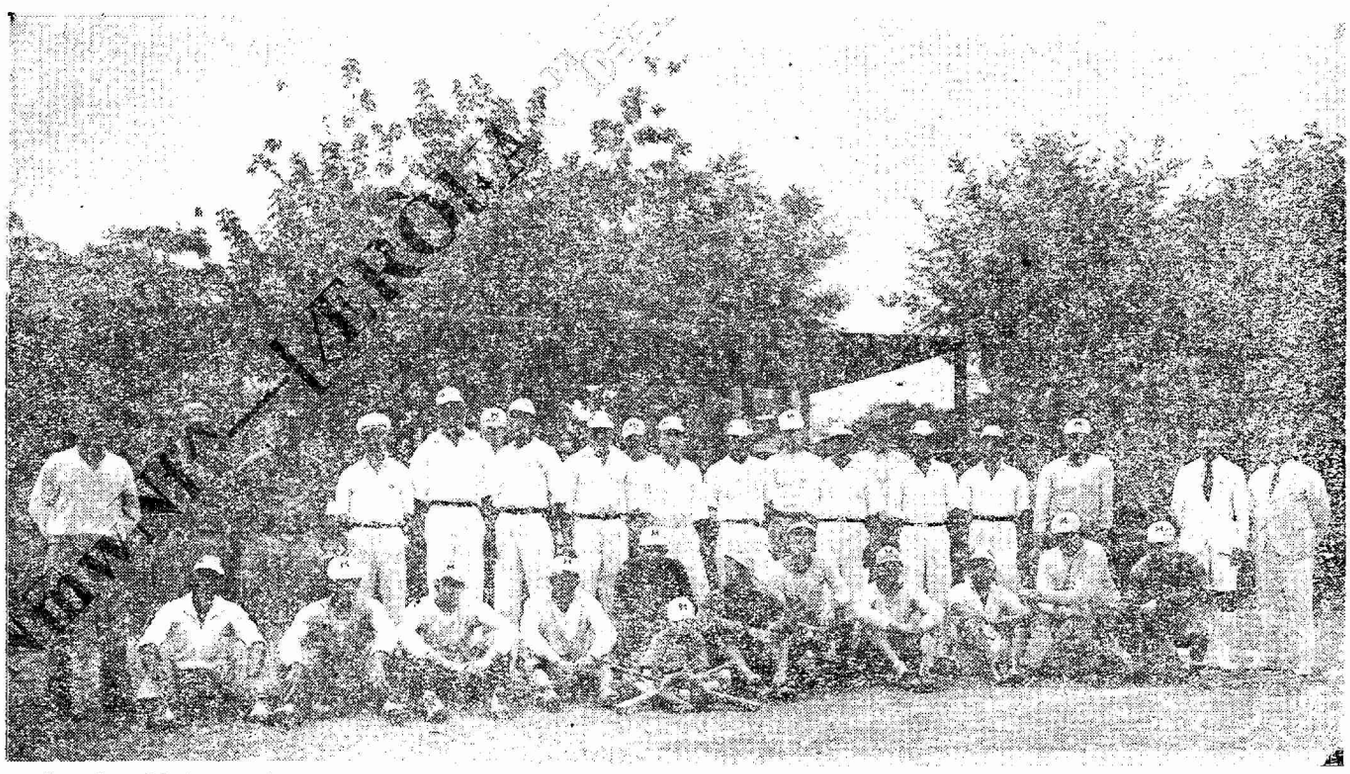

American Marines and Chinese College Teams Meet Frequently at Baseball, Football, Track, Basket Ball and Other Sports

for such misunderstanding. The function of the Legation Guard is not the same today as it was after the Boxer Rebellion. Times have changed. It's unlikely that we'll ever again be attacked here by the Chinese. One good way of making sure of it is to get to know them as friendly neighbors."

Gradually this revolutionary viewpoint is penetrating along somnolent Legation Street, and other commanders are beginning to follow the Colonel's lead. The Remember-the-Boxer-Days boys are being superseded by the teach-them-to-box policy.

Peiping, December 1, 1934.

Can Exorbitant Tipping in China Be Prohibited?

BY B.Y. LEE (李炳郁)

IT is a well-known fact that the wages among the tea-boys in steamships, waiters, and hotel boys, etc., in China are exceptionally low, and a majority of them receive no regular wages, except free board and lodging. One wonders how these men can maintain their livelihood and even support a large family. On streets they look well and prosperous and no one realizes that they live on tipping. Of course, their income is irregular and uncertain, and they live from hand to mouth, without the least thought of the morrow. As a major portion of their income is derived from tipping, these men naturally pay more attention to their clients and customers than they do to their own employers. When any one takes a steamer, or engages a room in a hotel, or invites friends to dinner in a restaurant, or hires a motor car, he must reserve from ten percent to twenty percent of his cash for tipping after paying the regular bill; otherwise he will be in a ridiculously difficult position. In many lines of trade, tipping is well-established and must be paid as a part of the bill. Arguing and complaining against excessive or customary tipping in China is considered a nuisance as well as a face-losing adventure in the eyes of the "boys" and the fellow-patrons. The public opinion is strongly against excessive tipping, but it is not yet formulated as an organized effort to make it a campaign.

In order to give effect to the movement against "tipping" in Nanking drastic regulations have been formulated by the local authorities. The regulations seek to do away with a well-established custom whereby Chinese hotels and restaurants usually add a 10% surcharge to the bills of their patrons. The surcharge is sometimes erroneously called a "tip"—which it really is not, for the money goes to the staff or the proprietors and not to the "boys," who still ask for tips in spite of the surcharge. The regulations also require hotel owners to pay regular wages to waiters so that they will no longer be dependent upon tips—which the regulations seek to abolish. Another class of workers affected by the "no-tip" campaign is the chauffeur. The regulations prohibit chauffeurs from demanding "cumshaws" from the hosts of their clients and customers, and it is not for a chauffeur in the employ of a hire car company to earn more from such "cumshaws" than his regular wages.

The Tyranny of the Teaboys

An exorbitant tip demanded by teaboys from passengers in inland steamers is the most hated practice among all the forms of tippings in China. A compradore of a steamship is generaly required to deposit a certain amount of cash as guarantee with the company, and in order to meet the requirement, he employs as many teaboys as possible,who in turn, deposit a cash guarantee with the compardore. In some steamers the number of teaboys is as large as fifty, or more than the number of passengers in many trips. These boys, as a rule, receive no regular wages, but are dependent upon tips from passengers as a means of livelihood. Some compradores receive more cash he guarantes from the boys than they actually put up as their own guarantee with the steamship company. In this way, the boys have as welfare of the company at heart as they are solely employees of the compradores. For instance, passengers on board of steamships, running between Shanghai and Canton, are held up by teaboys to pay at least $2 per head as tip from the Chinese first-class passengers and should any one refuse to pay such an exorbitant sum, he is cursed, or sometimes even is threatened with having to pay it as a part of the regular fare. This is one of the reasons why traveling in China is expensive.

The action of the teaboys is in itself an annoyance, and its abolition should be strongly demanded. The exorbitant tipping demanded by teaboys is often called "squeezing." To get rid of this squeezing is to get rid of the compradore system. Now-a-days many steamships have abolished this system, but have not found an effective method to stop the squeezing as practised by the teaboys, who usually receive from $20 to $50 per month from tips. The fewer the passengers on board, the more they demand; the more ignorance a passenger shows in giving tips, the more they also demand. Should any one ask the teaboy how much tip he ought to give, he is sure to be "scapegoated," as the amount demanded is unusually large. In order to avoid the annoyance, a passenger should give about ten percent of what he pays for his fare. as tip to the teaboy. In this way the passenger is respected and treated as an "old hand." Usually the ignorant passenger is the victim of the teaboy's rapacity, who knows at once whether the passenger is a green hand or an old hand; and then treats him accordingly. Many a complaint has been filed at the steamship companies, protesting against the squeezing by the teaboys. In many instances, the action of the teaboy is intolerable, as in demanding tips from famine-stricken sufferers on board of steamships. How to stop this form of exorbitant squeezing of the teaboy depends more upon the steamship companies than upon the passengers, who as a rule, form no organized campaign against the "no-tip" system.

Before one goes to engage a room in a hotel or gives a dinner in a restaurant, he should recall his experience with the teaboys in steamships. In a modern hotel, there is no exorbitant tipping, except the customary ones. Usually a 10% surcharge is added to the regular bill, which is generally divided among the hotel staff, and then another 10% for the boys. When one goes to a small or old-fashioned hotel, he is squeezed right and left, without receiving much reasonable service. Whatever he orders the boys to buy he is charged twice or thrice; or when he carries with him many pieces of luggages, he will soon realize how much tip he must pay before his belongings are safe. Now-a-days practically all modern hotels and The China Travel Service Co. do the transportation of luggages for travelers without charging exorbitant tipping. All modern restaurants and modern hotels prohibit exorbitant tipping. Any one who orders a dinner party for $15, he expects his bill, including surcharges and tips, to amounting to about $25. Many restaurants charge ten cents for a cup of tea for each guest, besides a 10% surcharge. Cigars, cigarettes, wines, melon seeds, etc., are charged with a 10% extra.

Exorbitant Price for a Cup of Tea

Passengers, riding in trains on the second, and sometimes on the third-class, are compelled to pay $0.20 for a cup of tea, irrespective of distance. When one's luggage is over-weight, he has to tip the boy in charge in order to avoid the extra charge. Tips must be given freely in order nothing will be delayed. The usual amount of tip to the chauffeur of a hire-car company is 20 cents per trip, irrespective of distance. Many chauffeurs receive as much as three dollars a day from tipping. Should a rider give a tip less than 20 cents per trip, he is cursed and sometimes is held by the chauffeur until the 20 cent tip is paid. A hire-car company in Shanghai once went into bandruptcy because nobody dared to hire its cars, as chauffeurs of the company often demanded an exorbitant tip from their clients. So far no "no-tip" campaign has been started by hire-car companies. When your friend sends you home by his motor car, you are supposed to tip his chauffeur at least one dollar. Now-a-days the hire-car is very common, and the charge is one dollar or less for a quarter of an hour. So to ride on a friend's car is more expensive than to hire a public car. In Northern China, when a friend comes to your dinner party by his own motor car, the host must tip his chauffeur one dollar as "meal money."

In many old-fashioned theaters and motion picture houses and many amusement houses, pleasure seekers are once given a cup of tea, which costs from ten coppers to ten cents. Whether you drink the tea or not does not make any difference to the boys. Once the attendant takes his seat; the tea is served; then the tip must be paid as a part of the regular ticket. The boy may hand you a towel; when you take it you have to pay a few coppers. Sometimes a pleasure-seeker may spend a couple of dollars for tips in a Chinese old-fashioned amusement house. When one visits a friend in a jail he has to tip practically every one on duty in or around the jail, otherwise he may not be able to see his friend, for various reasons. Tips are expected by all lines of menial workers at all national festivals, particularly, in the Dragon Festival, the Autumn Festival, and the Chinese New Year. The last mentioned occasion is the most important of all. In business circles the approaching of a festival means a tip-giving date. The tip given on these occasions is called "wine money" as everybody expects to drink wine during a festival. The lift boy, the messenger boy, the mail-carrier, newspaper boys, etc., all in line come to request some wine money.

As all menial workers in China receive practically no regular wages, or at least a very meager pay, they depend on tips or the wine money to be received at various festivals. A Chinese employed in a Chinese concern must known how to tip these menial workers, otherwise he will soon feel not "at home". As soon as a tip is given, a grudging face will soon turn into a radiant one, and everything will be O.K. A foreigner in China often goes blameless for neglecting this well-established custom. He pays his menial workers better and they generally don't consider the wine money as a part of their wages. Many Chinese menial workers ask foreigners for "cumshaws" which is equivalent to the wine money. The word "cumshaws" means "come to shore." When a sailor comes to shore he may be soaked from right to left. He is ignorant of prices and customs in places he visits, he may be in a drunken state and gives away whatever is demanded. He pays "extra," which we now-a-days call "cumshaws." A foreigner who first arrives in China does not understand why a bill collector or a menial worker does not shake his head or says thanks after a bill is fully paid. Sometimes he still hangs around and seems to wait for something. When he is asked why he does not leave the house after the bill is paid, he simply shows a reluctant smile and says nothing. Later the foreigner begins to feel what he has neglected. The word "cumshaw" is heard from a distance, and when this is met, he walks away with a radiant smile.

The few days before the Chinese old New Year are the great tipping days of the year. Here is a long list of tip-receivers: the mail carrier, the newspaper delivery boy, the garbage men, the watchmen, the commode men, the janitor, the lane sweeper, the milk delivery boy, the lift boy (if there is a lift), a neighbor's servant who occasionally helps you in some errands, your own servants and other menial workers, etc. In northern China the well-to-dos

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usually tip their friends' servants on New Year's day on the occasion of their visits to the latter's homes.

Some tips are compulsory, others are given as a reward for some special work done. In order to eliminate such surcharges and illegal and excessive tipping, the business system as a whole in China has to be re-organized on modern lines. Regular wages must be enforced and the surplus number of boys and menial workers must be cut to the minimum. Above all, the compradore system must be abolished. When a man or an apprentice employed in shops or in any business concerns receives no regular wages, he is sure to beg for the wine money when he delivers goods for his master. It is a nuisance to see a man refusing to leave your house after having delivered something, until some wine money is given. The menial workers should not be blamed, for they are dependent upon tips for their livelihood. Business concerns of all lines should come to understand that begging for tips by their men is a losing-business venture, and that must be stopped by an increase in the regular wages. Only the old-fashioned business concerns still allow this annoying practice of begging for exorbitant tips; the modern business men are fully conscious of this fact and will shortly launch a compaign against exorbitant tipping. Whether government authorities can do away entirely with it or not remains to be seen. Individuals can do nothing; for one must occasionally take a steamer, give a dinner in a restaurant, engage a room in a hotel, etc. A strong campaign of this nature can not be well organized without some strong anti-ism against the tip-receivers. The problem lies in the hands of modern business concerns; due to keen competition, the survival of the fittest must decide. A concern installed with a modern system of management will survive, and that without it will sooner or later perish. We shall see that those which encourage or maintain exorbitant tipping will fail, and those which eliminate it will flourish. The natural law works wonders, and only those who follow the natural laws will succeed.

Shanghai, December 10, 1934.

Governor-General Says U. S. Responsible for Protection of Philippines

Governor-General Frank Murphy in vetoing the Philippine National Defence Bill Dec. 9 stated that the problem of national defence is not urgent at this time as the United States will be responsible for the protection of the Philippines during the period it is a commonwealth.

Huge Korean Population in Manchuria

Rengo says the number of foreign residents in Manchukuo has increased tenfold since September 1931, when the Manchurian Incident broke out. Classified by nationalities, foreign residents outside of the S.M.R. Zone are estimated by the Civil Administration Department of the Manchukuo Government as follows: 53,063 Japanese; 571,718 Koreans; 42,591 without nationality; 7,728 naturalized; 36,517 Soviet citizens; 419 Britishers; 226 Americans; 209 French; 454 Germans; 54 Italians; 48 Dutch; 1,340 Poles; 24 Belgians; 95 Danes; 33 Swiss; 17 Swedes; 6 Norwegians; 66 Canadians; 25 Turks, one Finn; 3 Spaniards; 60 Greeks; 32 Austrians: one Australian: 14 Portuguese; 21 Indians; 173 Czechs; 198 Latvians; 6 Hungarians; one Esthonian; 25 Armenians; 3 Rumanians.

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C. E. R. Negotiators Discuss Exchange Rate

Constantin Yureneff, Soviet Ambassador to Tokyo, Dec. 10 resumed conversations with Koki Hirota, Foreign Minister, on the transfer of the Chinese Eastern Railway to Manchukuo. *Rengo* says Mr. Yureneff came to the meeting armed with fresh instructions from Moscow on the few remaining points of difference between Soviet Russia and Manchukuo. The exchange rate to be used in the commodity payments to Soviet Russia was given special attention. *Reuter* had a story that Japan had agreed to guarantee the payments on the Chinese Eastern Railway. —a statement which will probably be qualified later on.

American Warships to Continue to Patrol Yangtsze Valley

The continuance of disorders in China makes it necessary to maintain the United States Naval Patrol on the Yangtsze River and South China waters, Admiral William H. Standley, Chief of Naval Operations, stated in his annual report for the year ending June 30, 1934. "China continues in a state of disruption" he stated "with internal strife including communist and bandit activities engaging the wholesale attention of the Chinese Government forces."

The Naval Operations Chief observed that the frequent disorders along the Yangtsze River caused continuance of the United States patrol on the river at all times.

Communistic activities in South China and the prevalence of pirates along the coast from Chekiang to Kwangtung has made it necessary to continue American protective operations in that area, Admiral Standley stated,

Hupeh's Propaganda Schools

BY MARK J. GINSBOURG,

(*Far Eastern Correspondent of the Washington Post*)

IF Kwangtung could be called the birthplace of Chinese communism, Hupeh was its undoubted rearing place. It was from his four or five hide-outs in Hankow that Michael Borodin, the original 'brain-truster' of the communist movement in this country, wove the tenets of the gigantic and marvelously effective web of propaganda which covered most of China. It was also from here that thousands of skilful agitators and military organizers were sent out to comb the rural areas in the interests of international Sovietism.

Years of continuous internecine warfare, which brought the population of the central provinces to the brink of famine, also contributed to the rooting of communism in Hupeh. The floods, drought, lack of organized assistance, prevented the farmers from taking advantage of the comparatively peaceful conditions which existed during the last few years.

It is not surprising, therefore, that despite the effective administration of Marshal Chang Hsiao-liang and Gen. Chang Chun, there are still many hsiens in Hupeh, the population of which to all intents is as communistic as it was not long ago in southern Kiangsi.

It is to combat this radicalism that Dr. Chen Chi-pao, Commissioner of Education in Hupeh, was given funds by Gen. Chiang Kai-shek to put into effect an ingenious propaganda scheme, which, at least in its efficacy, bore a strong resemblance to the Bolshevist methods.

The scheme was tried on a small scale in other provinces which were affected by the red virus, *e.g.*, Hunan, Anhwei, Fukien and Kiangsi. But to Dr. Chen, in his Wuchang headquarters, goes the palm for the most intelligent development and use of the plan.

Dr. Chen, who, I believe, received his education at Columbia University, and travelled extensively in Europe, has gone a step beyond the popular but erroneous belief that communism can be eradicated by the application of military force. To him communism is the result and not the cause of misery and hunger. To combat Sovietism he proposes to teach the illiterate, to help the farmers increase the output of their fields, to build roads, to promote the cooperative movement and trade, and, finally, to fight the radical propaganda with propaganda of plenty.

One Hundred and Twenty Emissaries

With that idea in mind Dr. Chen sent out in September of 1933 a group of 120 men into the ten worst-affected hsiens in the northeast corner of Hupeh. The men were charged with three tasks, to promote social education, to assist the economic development, to help the self-defense of the farmers. The group consisted of picked students from normal schools, with a sprinkling of college graduates, but was not given any special training.

The 120 youngsters opened a hundred schools and in the course of the following ten months have given education to more than 50,000 people, of whom only 5,463 were children enrolled in the schools. The training given embraced adult education, character reading and lectures on various economic and social subjects. The hardships proved unendurable to a few of the 120 men and they returned to Wuchang and Hankow. The majority "stuck" to their work, enduring conditions to which most of them were unaccustomed, sharing with the people their scanty food and living in uninhabitable shacks, but all the while ministering to the economic and intellectual needs of the farmers.

In addition to this group, there were 40 to 50 lecturers-propagandists in the area, who travelled from hamlet to hamlet, speaking on economic and political subjects. The idea of 'travelling propagandists' was apparently borrowed from Soviet Russia, where propaganda is an exact science.

When these two projects had demonstrated their effectiveness, Dr. Chen set out to put the scheme on a sound basis. He established a school in Wuchang for the training of "special education teachers," as they are called, and worked out a curriculum of training, which would thoroughly equip them for their future work. The school opened early this month, and will provide training for 100 men for a period of three months. The students were selected, after a thorough physical, educational and political examination from among 832 applicants. Among the 15 subjects taught at the school there are courses on farmers' self-defense (training in the use of arms, road-building etc.), improved agricultural methods, house building, handicrafts (wicker work, carpentry, etc.), courses on the organization of rural cooperative work and the organization of social education, principles of local self-government, physical education and music. A 20-mow experimental field attached to the school will supply the students with the practical agricultural knowledge they will greatly need in their work.

Still More Teachers to Be Sent

On their graduation in March the new teachers will be sent out to additional ten hsiens, thus dotting 20 out of Hupeh's seventy hsiens with special schools. Each teacher will be instructed to make his school a social center, to which the population would flock for help, advice, education and recreation. While the special schools will provide education for children, Dr. Chen emphasizes that the special school system is outside of the general educational scheme and does not attempt to compete with the ordinary schools.

When asked about the motives which would make a fairly well educated and presumably an energetic youth forsake comfort and go under danger and privation, Dr. Chen says that while many do it for the remuneration, which is relatively high ($40-50), others do it for the sake of the experience and thrill or with the sincere desire to help in the rehabilitation of the devastated areas.

In addition to the special education department, Dr. Chen also supervises two other kindred offices, the propaganda and research departments. The first of these concerns itself exclusively with the publication of text-books and pamphlets. The latter studies the ways and means of solving the problems of rural reconstruction. Parallel to the training of special teachers, Dr. Chen is planning to train lecturers, aiming at having two of them in every hsien of Hupeh.

If Dr. Chen's experiment succeeds, as it gives every indication of doing, the scheme will be extended to every province of China, thus materially contributing to the economic rehabilitation of the country. General Chiang Kai-shek, who has supplied the funds for the scheme, is known to be paying very close attention to its progress, with a view to its national use. Another aspect of the plan is the utilization of a large number of normal school and college graduates in the reconstruction work. Although the authorities may not yet realize it, Dr. Chen's scheme provides the solution for the problem of employing the vast number of young educated people. Lastly, Dr. Chen's plan heralds the rising appreciation of the important political axiom that propaganda, which is another name for education, is a much more effective means of social control than armed force.

Hankow, December 1, 1934.

U. S. Ambassador to Moscow Had Many Difficulties

Recent comments in the American press on United States Ambassador Bullitt's trip home and, especially, speculations that Mr. Bullitt is unhappy in his difficult and uncomfortable post as United States Ambassador to Moscow have been received with much interest in Moscow both by Americans and Russians, says Harold Denny in a recent article to the *New York Times*.

Mr. Denny continues, and says:

In particular, those who circulate in Moscow's diplomatic orbit are discussing Washington tea-table communiques concerning Mr. Bullitt's supposed loss of his early enthusiasm under the goading of manifold disappointments, irritations and disillusionments.

If Mr. Bullitt has lost his enthusiasm he apparently has kept it secret even from his most intimate friends here. Mr. Bullitt approaches life with enormous gusto. He was full of it when he entered Moscow to take up his duties on a foggy, gnawingly cold morning last March. To those who have seen him almost daily since that day he does not seem to have lost a trace of that gusto.

Overcame Many Difficulties

Washington commentators are quite right in saying Mr. Bullitt has had to face all sorts of irritations and difficulties. Every American who comes to Moscow does, for it is a strange country whose ways are not our ways and where it takes days to accomplish what one does in twenty minutes in New York or Washington.

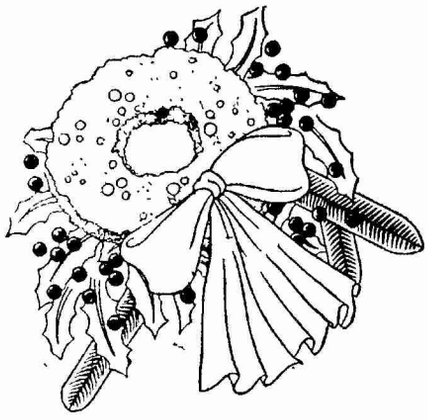
He had to cope with fantastic and ridiculous problems when he first arrived. The staff of the incipient United States Embassy was then housed in a hotel that had all the excrescences of a *de luxe* establishment, but none of the actualities. The very first serious diplomatic problem Mr. Bullitt had to tackle was getting hot water for his aides' bathtubs.

"Hot water in the Savoy Hotel by April 1" became a slogan in the American colony like "Get the boys out of the trenches by Christmas." Mr. Bullitt got the hot water and only those who have lived in that hotel can appreciate what a diplomatic victory that was. Mr. Bullitt meanwhile was busy putting the mansion that once belonged to a rich but tasteless manufacturer into livable condition. He was confronted with a series of crises. For instance, he had to drop serious affairs all too frequently to straighten out matters such as this:

Draymen were delivering bottled drinking water to Mr. Bullitt's residence one day. One bottle broke. A workman hurled it over the embassy wall. As luck would have it the bottle grazed the helmet of a policeman who indignantly reported he had been attacked from the embassy. It developed that it was a Russian who had thrown the bottle and it had not hit the policeman anyway, but it took a bit of explaining just the same.

Sense of Humor Aids Him

Among Mr. Bullitt's most valuable qualities are his dynamic mental and physical energy and his sense of humor. Both qualities appeal to Russians, who, like Mr. Bullitt, have gusto for everything from Fiveyear plans to diplomatic suppers starting with caviar and vodka and finishing, after six intermediate courses, with champagne.



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THINK ABOUT RADIOGRAM!

Mr. Bullitt seems to be tireless. His working day begins at 7:30 a.m. and ends when he is through, which is sometimes 5 a.m. the next day. His sense of humor—and the Russians also fortunately have a sense of humor—has enabled him to laugh off the irritations of life in Russia. When, for instance, a man sprinkling a street—these Moscow street waterers are all absent-minded chaps who are always looking in the opposite direction from the way the hose is pointing—accidentally squirted a stream of water full in Mr. Bullitt's face, Mr. Bullitt thought it a joke. Many Ambassadors would have been hopping mad.

Mr. Bullitt has not "gone Russian," and he is entirely free of diplomatic pomposity. He is still "Bill Bullitt," a familiar figure whizzing about the streets in a sport roadster. He is the best groomed man in the Soviet Union. If he is attending a formal diplomatic function in coattails and white tie he wears a silk topper, too, and he tries not to hide his glory under a buttoned-up overcoat and slouch hat. The Russians like him for that, too. He is the representative of a rich bourgeois country and why should he try to look like a proletarian?

Salt Revenue Report Reveals Increased Collections

The Inspectorate of Salt Revenue has just issued a statistical review of the work of the Inspectorate from 1913 to 1933. The report was prepared by Dr. F. A. Cleveland, Associate Chief Inspector of Salt Revenue and concurrently Financial Secretary. It gives special attention to the evaluation of results achieved in the Salt Administration during the last five years.

The appraisal and study is divided into four periods: (1) that of initial organization; the gradual establishment of Inspectorate offices-1914-1917; (2) that of organized stabilization, the development of Inspectorate staff discipline under strictly enforced regulations with little outside interference-1918-1923; (3) that of progressive impairment of Inspectorate functions; due to political and military interference 1924-1928; (4) that of rehabilitation and readjustment; the reestablishment of Inspectorate offices closed by force majeure and the introduction of ministerial policies adapted to increase revenue and reduce expenses, 1929-1933.

The annual totals of salt produced and the average quantity of salt brought under control of the taxing authorities annually before 1911 are not known. The Minister of Finance, on the basis of the commission inquiry estimated for budget purposes the gross potential revenue to be derived from imposts on salt at Tls. 46,312,000, but it was affirmed that the Central Government never received more than Tls. 13,000,000 ($20,000,000) a year, and that during the years immediately preceding the inauguration of the Inspectorate the returns had dwindled to the vanishing point.

The comparative results show that (1) during the first period (that of gradual establishment of the Inspectorate offices, 1914-1918) the annual totals of collection increased from $62,539,000 to $77,628,000 ($15,089,000), the period average per annum being $72,358,000; (2) that during the second period (that of establishment with absence of serious interference 1919-1923) the high figure of $87,935,000 was reached—$10,300,000 above the highest of the first period; (3) that during the third period(that of the increasing political interference, 1924-1928) salt revenue receipts by and-or reported to the Inspectorate as the legal collecting agency of the national government were gradually reduced from $80,597,000 in (1923) to $37,507,000 (in 1928); (4) that during the fourth period (that of Inspectorate rehabilitation and development, 1929-1933), the revenue receipts of the Inspectorate were increased to $159,805,000. The collections passed the highest level previously attained in 1930; and they continued to increase each year thereafter—the ratio of increase compared with the average of the second period, the period of greatest freedom from political and military interference) being 194.06 per cent.

The results of ministerial policies adopted during the past five years are based on the analysis made by comparison of two groups of districts ;(1) the 10 districts in which the Inspectorate has had control of "administrative" and "preventive" as well as "revenue collecting and salt releasing" functions, and (2) all other districts—those in which the Inspectorate has had no control of the "administrative" and "preventive" functions.

The possibility of further retrenchment of expenses, according to the report, can be realized by bringing the functions of "administrative," "preventive" and the "revenue functions" under a unified authority in every district.

The results already achieved by the Inspectorate, the report continues, in carrying out new policies promulgated by the minister of finance during the last five years, also point to two outstanding opportunities for further retrenchment, with advantage to all parties concerned in two fields: (1) reduction of expenses to be brought about by reorganization within the Salt Revenue Department of the Ministry of Finance; and (2) reduction of expenses to be brought about by modification of terms and conditions attached to licenses granted by the government to producers, transporters, warehousers and merchandisers of salt.

Disarmament Talks Continue to Arouse Japan's Sentiment Toward America

BY THE REVIEW'S TOKYO CORRESPONDENT

(Translations from various Japanese publications)

AS the 1935 naval conference draws nearer the country has become almost flooded with disarmament tide, and it is not too much to say that no smile, no laughter or joke is not strong enough to shake off the notion. The earsplitting warning of "1935-6" crisis has penetrated the flesh and blood of the people.

Naturally, the development of the London preliminary conference has been watched with keen attention, while the newspapers, fully aware of this trend of the national sentiment, vied with one another in quenching their thirst. Unfortunately, however, the situation in London developed in their disfavor and strong rivalry between Japan and the United States has been incessantly reported. This rival situation between the two countries loomed out big before the nation's eyes at the occasional news of the friendly concession on the part of Great Britain, especially of the one offered on November 7 by McDonald at the fourth meeting of the representatives of Britain and Japan. Of course the unavoidable conflict of interest between America and Japan was a common knowledge of the people and no small apprehension was entertained toward the coming conference of next year, but perhaps it was not until they were supplied with the report on the development of the preliminary conference in London that they realized that the rivalry between the two countries was so helpless.

Following are gathered from various responsible December publications—articles on how the disarmament talks arouse Nippon sentiment toward the United States.

Britain Knows Japan Better

Masaji Eido (永戶政治) *Keizai Orai, Dec:* At the London Preliminary Conference, Japan insisted on the recognition of equal right to defense and firmly stood upon this ground. So strong was her attitude that both Britain and America appeared to have grown apprehensive. It is Japan's national spirit that worked most strongly in presenting this stubborn attitude. . . . For ten years since the conclusion of Washington Treaty Japan made unfettered development along the new world current. This is what the natural growth of the world has made possible, and is far better understood by America. It is even supposable that if, at the London Preliminary Conference, there was no strong opposition of America, the equal right to state defense might have been recognized. . . . . For the protection of India, Australia and other interests in the Orient, Britain sees the need of befriending Japan, especially when there prevails political unsafety throughout Europe. This calculating pro-Japanese policy is strongly supported by the Conservative Party, and it is from this source that the rumor of Britain's going to extend recognition to Manchukuo and of her being in favor of concluding an Anglo-Japanese alliance has come to emanate. . . . . The conciliatory draft proposal McDonald offered in November to iron out the difficult situation, gives us the impression that Britain is inclined at hearts to recognize equal right to defense as demanded by Japan. . . . . Contrary to such friendly approach between Britain and Japan, the relation between Japan and America is far from satisfactory; the latter, holding fast to the ratio of 5-5-3, assumes so strong an attitude that if Japan sticks fast to the demand for parity she will consider the conference as a failure. America maintains that because Japan clings fast to obtaining parity the conference makes no headway, whereas Japan believes it is America that has brought the conference to a state of deadlock. With the object of putting restraint upon Japan's demand for parity, the United States has recourse to various means, such as, brewing the oil question in Manchuria or attempting to introduce political questions into the conference. The Naval policy of the United States is formulated with the Pacific as the centre.

U.S.-Japanese Rivalry Will Collapse 1935 Conference

Jun Tosaka (戶坂潤) *Keizai Orai, Dec:* At the London Preliminary Naval Conference now in session we find the positions hitherto occupied by the Powers have undergone some changes. This time the Japanese representative, instead of the American delegate, took the lead demanding parity and the abrogation of the ratio system and aggressive vessels. Since the leadership thus displayed by Japan stands in rivalry with that which America has at the naval conference, it is not unnatural, seen from American hitherto exercised standpoint, that America offers strong opposition. . . . . At any rate there is no hope for the easy amelioration of the rivalry between America and Japan. The general public in Japan who understand the circumstance are looking toward the progress of the preliminary and main conferences with forlorn hope.

American Oriental Policy Needs 5-5-3

Katsuji Inahara (稻原勝治) *Keizai Orai, Dec:* The United States considers the ratio of 5-5-3 as the foundation of peace and holds fast to it is because she must always be provided with a navy superior to the Japanese navy. Why, then, is it that America wants so big a navy? Because the United States regards Japan as the only obstacle for her building up Dollar imperialism in the East, or because America wants to tie up the Japanese hand and foot in the exercise of her Dollar reign? If this is a mistaken concention of the actual situation, how can we find the plausible reason for America's allowing Britain the ratio of 5 while denying Japan the privilege of the same?

America Is Strongly Opposed to Japan's Abrogation

Katsuji Inahara (稻原勝治) *Serupan, Dec:* The existing situation in which Japan stands clearly explains why she should abrogate Washington Treaty. But, inasmuch as this step of Japan will undermine the foundation of the Orient at policy of the United States, the latter has been bent on inventing countermeasures. As one of these measures America threatens to augment her defensive works in the Pacific, but this is less sensational than the threat that she might have to effect a wholesale revision of both the Four Power and Nine Power threaties..... We wonder why the United States makes such an unwise demonstration that if Japan abrogates the Washington Treaty all the related agreements, including the Nine Power Treaty, would have to be abandoned. Indeed, this is an instance of waking a sleeping dog, for Japan is glad to get rid of such a nuisance as the Nine Power Treaty..... We are confident that the United States will uphold the Nine Power Treaty at any cost..... That the United States refused to listen to Japan's parity proposal at the London Preliminary Conference indicates that she intends to cling fast to the Nine Power Treaty rather than to the existing ratio, because it is this treaty which enabled the United States to stand in a position to guide the rest of the world..... America considers Japan's proposal for armament parity will disable the proper function of the Nine Power Treaty, and it is more from this ground than from others that she is tenaciously opposed to the Japanese tand.

5-5-3 Is American Disarmament Rule

Masanori Ito (伊藤正德)—*Chuo Koron, Dec.* (The most popular critic on disarmament and the author of the "Disarmament Reader" now popular in Japan): There is between Japan and America a ground on which they are destined to crash. . . . Those countries having big armament will find it convenient to put limitation on the armament of small armament countries with their own possession as the standard. Thus, as far as ratio is concerned, they are enabled to occupy a superior position without the least sacrifice on their part. The Hoover plan of 1932 and the Swanson private plan of August 1934 are the most conspicuous examples, while the Washington disarmament of 1921 also comes under this category. . . . Not only to the principal war-ships but also to all other vessels the United States means to apply the 5-5-3 ratio. This attempt is quite in accordance with the convenience of the United States, but is vitally detrimental to successfully fight with the Japanese navy in the western Pacific waters, because by making the distant cruise the combative power would wane down to 3-3-3; hence Japan ought to feel safe with the present ratio of 5-5-3. The authorities of Japan laugh at the idea that the strength of "5" changes into the strength of "3" in the western Pacific. . . . Calculated in the American way, if a battle is fought on the waters off Panama or Francisco the American strength, at the existing ratio of 5-5-3, would be raised up to 167 percent, whereas if it is staged on the western Pacific waters Japan's strength would be raised to 100 percent—though, calculated in the Japanese way, it comes down to 60 percent. That is to say, the Japan's defensive strength is inferior by 67 percent to that of the United States. . . . Japan is anxious to place America in a defensive position the same as herself but America shows no sign of relaxing her aggressive principle. Herein lies the fundamental difficuty of the disarmament.

What Follows Japan's Abrogation of Washington Treaty

Hikomatsu Kamikawa (神川彥松)—*Gaiko Jiho, Nov. 15:* There is little hope for replacing the Washington Treaty with a new treaty, in the event of its being abrogated. If, under such circumstance, Japan abrogates the treaty she has at the same time to part with the provision regarding the maintenace of status quo of the Pacific naval bases. . . . . It is evident that Japan's naval policy lies in having the command of the western Pacific; so long as the United States possesses no big naval base in the western Pacific the absolute mastery of those waters is in the hand of the Japanese. In other words, while America owns no strong naval bases besides Hawaii there is no possibility of an outbreak of war between Japan and America. . . . . Those well informed of this circumstance believe that this provision in the Washington Treaty

PEIPING-LIAONING RAILWAY

ABRIDGED TIME TABLE

1st July, 1934 and until further notice.

DOWN TRAINS									MAIN LINE STATIONS		UP TRAINS							
41 Slow D 1 2 3	301 Ex. S D 1 2 3	1 Ex. S D 1 2 3	305 Ex. S D 1 2 3	23 Fast D 1 2 3	5 Ex. D 1 2 3	21 Ex. S D 1 2 3	3* Ex. S D 1 2 3				302 Ex. S D 1 2 3	22* Fast D 1 2 3	42 Slow D 1 2 3	4 Ex. S D 1 2 3	24 Fast D 1 2 3	2 Ex. S D 1 2 3	306 Ex. S D 1 2 3	6 Ex. D 1 2 3
5.45	15.05	8.45	18.50	13.15	16.30	20.15	10.55	dep.	Peiping	arr.	10.24	11.29	17.55	18.42	23.17	9.18	8.19	11.50
6.20	15.36	9.13	19.20	13.46	—	20.48	11.24	,,	Fengtai	dep.	9.54	10.55	17.21	18.15	22.48	8.47	7.49	—
7.45	16.40	10.21	20.26	15.01	—	22.08	--	,,	Langfang	,,	8.50	9.26	15.43	—	21.34	7.45	6.43	—
9.16	17.50	11.28	21.39	16.30	19.07	23.38	13.32	,,	Tientsin Central	,,	7.40	8.03	14.14	16.05	20.11	6.39	5.30	9.15
9.25	17.59	11.36	21.48	16.39	19.15	23.47	13.40	arr.	Tientsin East	dep.	7.30	7.50	14.00	15.55	20.00	6.30	5.20	9.05
9.35	18.20	11.50	22.20	16.55	—	24.00	13.50	dep.	,, ,,	arr.	7.05	7.36	13.46	15.40	19.50	6.15	4.50	
10.38		12.47		18.03	Stop	1.10	14.47	,,	Tang-ku	dep.		6.31	12.46	14.45	18.51	5.11		
11.46		13.45		19.08		2.18	15.40	,,	Lu-tai	,,		5.26	11.41	13.48	17.43	4.08		
12.52		14.42		20.11		3.32	16.39	,,	Tang-shan	,,		4.15	10.30	12.50	16.37	2.58		
13.39	FOR SHANGHAI	15.17	FOR PUKOW	20.47		4.20	17.14	,,	Ku-yeh	,,	FROM SHANGHAI	3.30	9.44	12.18	16.05	2.16	FROM PUKOW	
14.29		15.49		21.21		5.12	17.46	,,	Lanhsien	,,		2.32	8.45	11.39	15.22	1.18		
15.32		16.31		22.11		6.18	18.28	,,	Chang-li	,,		1.29	7.40	10.58	14.37	0.19		
16.16		17.04		22.46		7.07	19.01	,,	Pei-tai-ho	,,		0.39	6.54	10.27	14.00	23.31		
16.43		17.23		23.08		7.33	19.20	,,	Chin-wang-tao	,,		0.01	6.25	10.04	13.35	22.59		
17.05		17.40		23.26		7.55	19.37	arr.	Shan-hai-kwan	,,		23.30	6.00	9.45	13.15	22.30		
		18.40						dep.	,,	arr.						21.26		
		16.25						arr.	Shenyang (Mukden)	dep.						10.15		

S. D.—Sleeping and Dining Cars. D. Dining Car.

Refund of Fares :— Passengers must get Station Master to endorse ticket in connection with which they intend to claim refund.

No. 3 and 22* Temporary suspended.

Tientsin, 1st July, 1934.

BY ORDER.

was greatly responsible for the peaceful relation which existed between Japan and the United States at the time of the Manchurian incident, despite the tense atmosphere in which they found themselves. . . . . It may be that in the future the United States will construct big naval bases at Philippines and Guam. Furthermore, in the event of on agreement being concluded among the three naval Powers following the abrogation of the Washington Treaty, there is ample possibility of the outbreak of a building race. Thus the United States would attempt at making Japan give in—Japan whom she failed to persuade through peaceful negotiations—by means of possessing superior ratio.

Ratio Decides on Peace or War

Kichizo Mizutani (水谷吉藏) *Gaiko Jiho, Dec:* At the time the Japanese squadron rushed to Shanghai after the Manchurian incident, the American fleet which headed to Shangnai at about the same time had determined to fight the Japanese navy. The public opinion of the United States enthusiastically supported the brave resolution and war-like atmosphere reigned all over the country. At this critical juncture an Admiral who sat on the highest seat of the American navy stood up and remonstrated with the Secretary of State, stating to this effect: "The existing strength of the Japanese navy is far superior to that of America. By the time the ratio of 5-3 is reached a few years will have to be spent. If a war break out between Japan and the United States, the latter would suffer a crushing defeat." This timely advice by the Admiral effectively dissolved the crisis between the two countries. From this fact it may safely be asserted that, as long as Japan possesses a navy superior to the American navy or enjoys parity, the crisis of conflict between the two countries will be removed, but once the ratio changes in favor of America the public opinon of America will be roused in favor of taking up arms against Japan.

Reds Capture American, His Wife, and Infant in Anhwei

Mr. and Mrs. J. C. Stam and their two and-a-half months' old daughter have been captured by Communists at Tsingteh in southern Anhwei, according to messages received in Shanghai during the week. Mr. and Mrs. Stam are comparatively newly joined members of the China Inland Mission. Mr. Stam is a native of New Jersey and Mrs. Stam is the daughter of Dr. and Mrs. C. E. Scott of the American Presbyterian Mission in Tsinan, Shantung.

League Tries to Adjust Yugoslav-Hungarian Dispute

The Council of the League of Nations Dec. 10 unanimously approved a compromise resolution setting up a course of action designed to adjust the disputes between Hungary and Yugoslavia. The agreement is expected to result in the early subsiding of the grave situation between Hungary and Yugoslavia resulting from the assassination of King Alexander of Yugoslavia and M. Louis Barthou, French Foreign Minister, in Marseilles, some weeks ago. The compromise resolution invites Hungary to continue its investigation of terrorism within its borders and also recommends a convention against terrorism.

Japan Will "Swallow" North China, Says Ambassador Saito

"If we find it necesssary for the peace in the Far East, Japan will swallow North China no matter what other powers say or do," Hiroshi Saito, the Japanese ambassador to Washington, declared in an interview in the Philadephia *Evening Bulletin, Dec.* 11.

"Japan," the ambassador said, "will pursue the policy which in her opinion is necessary for the organization in the Far East, even if she has to fight Great Britain and the United States, and without taking into account any caprices of these two nations.

"If the United States thinks it has to prevent us from becoming an imperialistic nation, it would have to send their fleet to the Far East," Mr. Saito went on. "But Japan is not an imperialistic power," he affirmed. "She wants to uphold scrupulously the existing treaties and particularly the Open Door Agreement in China."

The interview was granted by the ambassabor after a lecture in the course of which he reiterated that Japan cannot agree to have a force of capital ships inferior to that of the United States.

I Mr. Saito later declared that he had been incorrectly reported. He said he meant that Great Britain and the United States would eventually understand Japan's policy, but that if they did not and forcibly attempted to swerve Japan from her course, then Japan would be forced to fight. Our own view of the matter is that Mr. Saito really expressed the predominant Japanese view and later regretted having been so frank. There is a certain resemblance between his statement and the Tanaka Memorial. The authenticity of the latter was also denied, but later developments abundantly proved that Japan was following the Tanaka policy as closely as it was possible to do so.—*Ed C.W.R.* 1

Nanking's Wholesale Arrest of Opium-Smokers

(From a Correspondent at Nanking)

CHINA has repeatedly made it known to the world that she is determined to eradicate the opium evil. However, her efforts are not without obstacles. First, there are many so-called "treaty ports, settlements, concessions," etc. in many parts of China,—in which the Chinese can not exercise their authorities. It is in these places where the Chinese opium smokers can find a safe refuge. Those who are accustomed to taking walks on the roads in treaty ports, settlements, or concessions, can easily locate the opium-smokers. Unless the foreign police inspectors, who draw high salaries from the local administration, paid largely by the Chinese tax-payers, have all lost their sense of smelling, we believe, they could make many arrests daily of opium smokers and opium dealers.

Another great obstacle which faced the Chinese is that our neighboring power, instead of lending us some assistance in our efforts to eradicate the evil, has given us many troubles. In the Province of Fukien for example, as we are informed, there are numerous opium smoking houses, managed by the Formosan people, who, it is to be remembered, are Japanese subjects. It is an open secret and known to all visitors to the Province. The Chinese authorities can not make any arrests due to the existence of extrality. Nor could they take up the matter seriously, for the issue could easily lead to a greater Sino-Japanese complication, during these days when our neighbors are grasping every opportunity to present us with "demands." In many cases, the Chinese authorities have resorted to posting police at a few yards from the Japanese-managed opium smoking houses to stop the Chinese from going to the houses, rather than to close up the houses. In North China, and the introduction of the territories which are under the occupation of the Japanese, the situation is worse. It is because the invaders have resorted to opium smoking so as to demoralize the Chinese masses; to drive them to the free-for-all opium smoking houses, rather than giving them free time to think about their "mother country," or to discuss among themselves about "patriotism," or an "anti-Japanese drive," etc. So we hope the International Anti-Opium Conference in Geneva, as well as the whole civilized world, will realize that unless such state of affairs is being put to an end, it is very difficult for China to get rid of the opium evil.

General Chiang's Order—1,500 Arrests in 3 Days!

But on no other occasion have the Chinese authorities taken so drastic a step towards suppressing the opium evil than at the present time. According to our information, General Chiang Kai-shek, the promoter of "New Life Movement," is said to have given a "hand-written order" to the Nanking police to "arrest all the opium smokers in three days!" As a result, the police in Nanking has been busy searching and making arrests of opium smokers. During these few days, the Capital has presented the strange spectacle of seeing truck after truck loaded with opium smokers being carried to the police stations. In the past few days, it is reported more than 1,500 opium smokers have been arrested. Among them are well dressed and foreign-styled young Chinese, bobbed hair Chinese feminists, and aged men and women. Some of them, believing that the authorities would not spare more their life are prepared to die.

According to our further information, the method of dealing with these opium smokers by the authorities this time is somewhat different from that employed previously. Ordinarily, when the opium smokers are arrested, they are handed over to the Nanking District Court for trial. After spending a few days in the prison or after paying the fines, they are again set free; and in fact, these people go back to smoke again. It is not infrequent that the arrested opium smokers are set free on bail. In some cases, as we are told, the opium smokers could easily escape the arrest even when the police have entered their houses by giving them bribes.

But this time, the authorities have been very strict in making arrests. "If opium smokers are discovered, and we do not bring them to the police stations, General Chiang would order us to be shot first," one policeman is quoted to have said. When the opium smokers are arrested, this time they are not necessarily handed over at once to the District Court, but are detained in the detention houses of the police station. As there were so many arrests in two or three days the detention houses soon found themselves packed to their fullest capacity. Therefore, some small hotels are being rented for the accomodation of the opium smokers. According to our information from reliable sources, this time, the authorities will not free any opium smokers on bail, nor will free them by merely imposing fines, but detain them long enough to enable them to get rid of the habit of opium smoking.

Committee for "Clearing Smoking Poison" Organized—Its Regulations

During the past few days, important meetings of high officials, such as the mayor of Nanking, Commander of Gendarmerie forces, Director of Police Bureau, Director of Public Health, President of the Nanking District Court, etc., were held to discuss about the "clearing the Capital of the curse of Smoking Poison within the shortest possible time." A Committee for "Clearing Smoking Poison" has been organized. According to the decision, eight provisional Anti-Opium hospitals are to be established for the accommodation of the opium smokers. Some temples are being converted into such hospitals. According to Article 1 of the Regulations governing the organization of the Committee, the Committee is to be made up by the representatives, one each, from the Central Tangpu (Central Kuomintang Headquarters), the Military Affairs Committee, Executive Yuan, Anti-Opium Committee, Ministry of Interior, the Tangpu (Kuomintang headquarters) in Nanking, the Municipal Government of Nanking, the Gendarmerie Headquarters of Nanking, and Police Bureau. Article 9 provides the making of the Capital as a "District," where there should be absolutely no smoking, and therefore, the Committee would abrogate all the smoking permits. Article 10 provides the death penalty as punishment for opium smokers who again smoke. Article 11 authorises the Committee to enact provisional regulations arising from expediency within the provision of the laws.

Nanking's sincerety to eradicate the opium evil is not doubted. But, we are afraid that so long as the authorities of the so-called treaty ports, settlements, and concessions, and our neighboring power do not co-operate with us, the present Nanking's efforts would merely drive the opium smokers from Nanking or other parts of China to the treaty ports, settlements or concessions, where they would have every protection from the foreign authorities. In fact, in the time when these lines are written, we have already been informed that many Chinese physicians, who are well known opium smokers in the Capital, have already escaped to Shanghai. That is to say, only the poor opium smokers are subject to the Chinese laws, while the rich opium smokers can easily escape the Chinese laws.

Nanking, December 8, 1934.

Japanese Police Brutality Scored in Diet

The matter of judicial police brutality in Japan will not down (although it is probably not much worse than in some other countries). Following the recent criticisms in the upper House a Japanese deputy, Mr. Hamada, took up the subject in the Lower House.

He said that the tyranny of the judiciary is the more dangerous because of the independence which the judiciary enjoys, and also on account of its apparent legality. Such tyranny makes the law a muderous weapon, not the protector of right. Courts of justice would then be condemned instead of being institutions for the vindication of justice, and the defence of public interest. History abounds in examples of this kind. In such circumstances, the best efforts on the part of Admiral Okada, the premier, to conduct State administration in accordance with popular wishes will fail, the speaker said.

Coming to the point, the interpellator said that the procedure taken in prosecuting the accused in the Finance Department affair was obviously wrong. In such cases, the bribers and those bribed cannot be dealt with separately, and yet not a single briber had been indicted when Mr. Ruroda, former Vice-Minister of Finance, was prosecuted with Imperial sanction. It was about forty days later that a few bribers were indicted. Seeing that Mr. Kuroda's prosecution required the permission of the Throne, it was certainly up to the judicial authorities concerned to go about the matter with special care. They ought to have completed the examination of bribers before they took this step. As it was, the suspicion was irresistible among the public that the underlying motive was to cause the fall of the Saito Cabinet.

Half Mat Rooms

It is a serious blot on the fair name of the Japanese judicial system, the interpellator went on, that in the compounds of the Tokyo Chiho Saibansho there are what are called *machibeya* (waiting-rooms), which are no better than stys. These "stys" are of the three kinds—four-mat rooms, one-mat rooms and half-mat rooms (nine square feet). They all let in so little light that it is even difficult for anyone to take meals in them. Some of the accused in the present case were put into these small rooms for fifteen days, and on eight of these days they waited in vain for examination. How could this be interpreted as otherwise than ill-intentioned confinement?

Manacling was a glaring case of infringement of personal right, Mr. Hamada continued. The Minister of Justice might say that the accused were manacled by the governor of the prison in order to prevent possible attempts at suicide, but such an excuse cannot be accepted. There may be cases where such action is necessary, but in the present instance there was no fear of any of the accused attempting suicide. If the accused were really conscious of their guilt and were so mortified by their conscience as to think of self-destruction, the preliminary examination of the case would have been concluded long ago. If it is not yet concluded, it is because they persist in denying the charges laid against them. The

accused must be regarded as innocent until their guilt is established and the final verdict given. If it is true that they were manacled for feay of suicide, it is necessary to examine why they conceived the idea of self-destruction at all. Should it be proved that the insulting treatment to which they were subjected was the cause, who was to be held responsible for it?

—*From a "Judge"*

Whadd'ya mean, "Got him to confess." That's the guy that made the complaint.

In prosecuting anybody, the procurator in charge ought to attach importance, not to the "confession," but to material evidence. This rule did not apply to the case of Mr. Mitsuchi. The present case is popularly condemned as constituting "tactical arrests." The interpellator said that other hard things are being whispered about against the judiciary, which he preferred not to mention.

American Gunpowder for China Came Via Netherlands

The Senate Committee at Washington, inquiring into the arms industry was informed Dec. 6 that, owing to the American embargo of the export of arms, the Chinese Government was handicapped in its efforts to check internal troubles and to combat banditry.

Senator Clark showed that in 1929 an American firm had shipped to the Netherlands a cargo of gunpowder destined for China disregarding the embargo proclaimed by the U. S. Government on arms exports. Examined by the Committee a representative of that company admitted having known that the shipment was destined for China but explained that he did not ask the opinion of the U.S. Department of State on the matter, as there were no regulations whatever governing arms shipments to the Netherlands.

Kwantung Leased Territory Also to Establish Oil Monopoly

The Government of the Kwantung Leased Territory and the South Manchuria Railway zone have decided to establish an oil monopoly similar to that now effective in "Manchukuo." The Kwantung Government-General is taking the step in order to co-operate with the Chungchen authorities in the enforcement of monopoly on the sale and imports of oil. A special ordinance will soon be issued by the Japanese authorities prescribing the enforcement of an oil monopoly in areas other than under the direct control of the "Manchukuo" Government.

Municipal Budget of Greater Shanghai Sanctioned by National Government

The general budget of income and expenditure of the Greater Shanghai Municipal Government for the 22nd fiscal year (July 1, 1933-June 30, 1934), which was approved by the Legislative Yuan at its 81st meeting on November 16, was sanctioned by the National Government Dec. 7. Income and expenditure are balanced at $11,287,209.

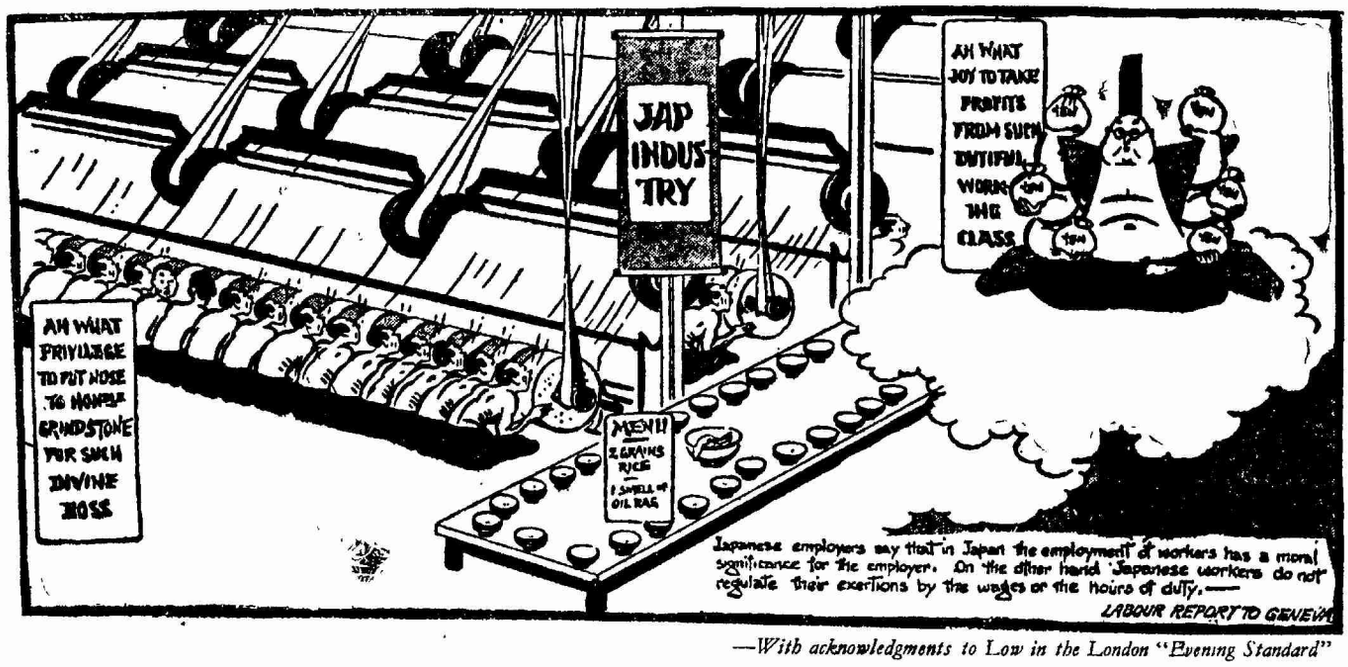
"Everyone remarks, 'What a *pretty* baby'"
"WHAT they really mean is *healthy* baby. All babies are attractive but a healthy, robust child like ours always invites admiration. Most women—even mothers—don't realize that careful feeding is what gives Baby that happy, carefree expression.
"WHEN our youngster was three months old—that critical period when *everything* depends on the right food for weaning—the doctor told me to feed him Quaker Oats gruel. He said it would help build bones and muscle—enrich the blood—that it would give Baby a real start in life.
"IT CERTAINLY has done that—and Baby loved it from the start. He's beginning to walk now and, my, such strength in those little legs. I feed him Quaker Oats porridge now—he never seems to get enough of it. Yes, he *is* a pretty baby but first a *healthy* baby, thanks to Quaker Oats."

Quaker Oats is the ideal food for every stage of life from babyhood to old age. Everyone likes its delicious flavour. And everyone will benefit by its health-building properties. Economical. Easy to serve—cooks in 2½ minutes.

LOOK FOR THE QUAKER FIGURE FOR GENUINE

Quaker Oats

71-113


JAP INDUS TRY
AH WHAT JOY TO TAKE PROFITS FROM SUCH DUTIFUL WORKING CLASS
AH WHAT PRIVILEGE TO PUT NOSE TO HONEST GRINDSTONE FOR SUCH DIVINE BOSS
MENU
2 GRAINS RICE
1 SHELL OF OIL RAG
Japanese employers say that in Japan the employment of workers has a moral significance for the employer. On the other hand Japanese workers do not regulate their exertions by the wages or the hours of duty.—
LABOUR REPORT TO GENEVA

—With acknowledgments to Low in the London "Evening Standard"

Extract from Editorial in the "China Weekly Review," Dec. 1, page 4:—

"Most anything can be put over on the Japanese workingman if he is told that the Emperor will be pleased."

Japanese Government's Relief Budget Passes Both Houses

A POLITICAL crisis in Japan was averted Dec. 7 when the Seiyukai receded from its stand demanding an additional Yen 180,000,000 for relief purposes, or otherwise, suspension of the discussion on the Budget. Admiral Okada had refused to accede to this request, on the ground that it would seriously upset next year's financial program, but he promised that the Government would give the utmost consideration possible to relief measures and relief works.

An impression that the crisis would lead to the dissolution of the Diet had previously predominated and this was strengthened with the publication Dec. 7 of a letter from Dr. Kisaburo Suzuki, leader of the Seiyukai, to the Prime Minister, in which he threatened that, unless the Government clarified its policy to the satisfaction of the party, the Seiyukai would not be able to agree to the Budget Committee continuing its deliberations.

In the end the Seiyukai party members voted unanimously in favor of the Government's budget and even applauded the Premier, Admiral K. Okada when he read the budget message. The Seiyukai's surrender could not have been more complete. The reversal of Seiyukai's stand was followed by numerous resignations on the part of leading party members, including Mr. Azuma, who precipitated the crisis.

Turbulent Session Comes to a Close

The House of Peers Dec. 9 passed the Government's relief budget, thus bringing to an end one of the most turbulent Diet sessions in recent years. The Extraordinary session was officially closed Dec. 10. The agricultural and famine relief bill, which will aid the stricken areas to the tune of Yen 211,000,000 within the next two years, was promulgated on December 11, after the Cabinet obtained the Imperial Sanction.

Among the bills passed by the Legislature were measures providing for the issuance of deficit bonds, for the distribution of Government-owned rice to famine-districts, of the tax decrease, postponement and exemption in the affected areas, and several amendments to existing laws.

The final meeting of the House of Representatives occupied exactly fourteen minutes, being limited to the discussion of a few private petitions.

With the extraordinary session over, political observers were taking stock of the situation. The Seiyukai's attempted sortie against the Government was unanimously called a bad blunder.

In the Lower House, Kunimatsu Hamada, of the Seiyukai party, declared the belief that the indictment of Finance Ministry officials for receiving bribes long before the indictment of those accused of giving bribes was done for the purpose of overthrowing the Saito Government, which actually fell as a result of the scandal. Justice Minister Ohara replied he did not believe that to be the case.

5,000 Tons Steel Plates Imported as Scrap Iron

A sensation has been aroused in Japanese trade circles by the rumor that a certain large import firm has "smuggled" in approximately 5,000 tons of steel plates and shapes and is marketing them at very low prices in Osaka. It is alleged that the above material, being included in various scrap iron shipments, has been imported as scrap iron. The average rate of import duty on steel materials is Yen 25 per ton, but scrap iron is duty free.

Famine in Japan Takes Toll Among Children

Thirty-five thousand babies in Japan are the indirect sufferers of the prevailing lack of food to feed their mothers, while 46,800 children of school-age are only having two meals a day at home. Special relief stations attended by nurses trained in infant nutrition have been opened in 459 places throughout the famine area.

Foreigners in Japan to Be Still More Closely Watched

The Foreign Affairs sections of the prefectures in which Tokyo, Yokohama, Kobe and Nagasaki are located are making a thorough study of the question of exclusion and control of undesirables. *Rengo* says the authorities are planning to formulate measures which would make espionage difficult, if not impossible.

Huge Indian Cotton Exports to Japan

India's exports to Japan during the present year will probaby approach 2,000,000 bales, thus exceeding the special treaty provisions by 1,500,000 bales.

Government Loses Over Yen 230,000,000 on Operation of Rice Law

The Government has suffered a loss of more than Yen 230,000,000 in its rice funds since the enforcement of the Rice Control Law, according to an explanation given by Mr. Hasumi, Director of the Rice Bureau, in the Diet.

*
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Japanese Foreign Minister Says Immigrants Responsible for Terrorism in Arizona

Koki Hirota, Foreign Minister, vigorously defended the United States Government during a heated discussion on the Arizona farm trouble in the House of Peers Dec. 8. Mr. Hirota declared that he doubted that the recent acts of terrorism, directed against the Japanese farmers in the Salt River Valley, were committed by real Americans, recalling that a large portion of Arizona's population consisted of immigrants.

Arizona Court Orders Japanese Not to Own or Occupy Land

A permanent injunction to restrain G. Tanaka and another Japanese from possessing and occupying land in the State of Arizona for agricultural purposes was granted in Phoenix, Arizona, November 27 by Judge M. T. Phelps of the Superior Court. This was the first of a score of suits to be decided.

Japanese Object to Alleged Arnhold Monopoly

Japan has filed a strong protest with the Hunan Provincial Government against the alleged granting of monopoly rights to Messrs. Arnhold and Co., a British concern, to sell and export Hunan antimony ore. The protest, which was filed through Suehiko Takai, acting Consul at Changsha, stated that the granting of exclusive rights to any concern was a violation of China's obligation to maintain the "Open-Door" and equal opportunity policies.

General Ho Chien, Chairman of the Hunan Provincial Government, replied to the protest denying that any monopoly rights for the sale and export of antimony ores were granted to any foreign concerns.

The reply stated that a certain foreign firm was permitted to sell Hunan antimony ores, but such permission did not create a monopoly, and the Provincial Government was in a position to conclude similar contracts with other firms.

Ship Clearances to and from China Show Increase

Foreign ship traffic in and out of Chinese ports shows a steady increase. The monthly returns of the foreign trade of China for October, show that a total of 5,105 vessels, representing 3,573,803 tons, entered and cleared ports in the whole of China for abroad during the month, whereas during the same month last year, 5,054 vessels, representing 3,374,805 tons, entered and cleared China for abroad.

More Chinese Railway Orders Placed in Britain

The Chinese Government Purchasing Commission Dec. 10 placed orders in England for material for the Canton-Hankow Railway, which is now in process of construction. The orders included one from the Motherwell Bridge Co., which will supply a patent shaft. Another company will provide miscellaneous equipment to a value of £5,000, as well as three bridges, which will cost £41,500.

Final Shipment of Loan Flour Being Sent to Tientsin

The final shipment of flour to complete the U.S.$17,000,000 loan advanced to China by the United States in terms of the agreement entered into, in May, 1933, by T. V. Soong, then minister of finance in the National Government, with the Reconstruction Finance Corporation, was shipped from Seattle Dec. 9 by the freighter *Olympic*. It will be landed at Tientsin.

Bank of China to Build 300-Foot Skyscraper on the Bund

The Bank of China will shortly commence the erection of a new building on the site of the present building, the former German Club at the corner of Jinkee Road and the Bund. The building, for which plans have reached a stage of finality, will be more than 300 feet high. Preparations are now being made for the removal of the Bank offices to temporary premises at the corner of Szechuen and Hankow Roads. The head office will move on December 21 and 22, and the Shanghai Office and the Foreign and Trust Departments will move during the following New Year holidays. Afterwards demolition of the present premises will commence. The new home for the Bank will cost in the neighborhood of $13,000,000 and will take three years to complete.

The present building plan provides for a 24-story tower on the Bund, including a spacious basement for strong rooms and safety deposit vaults, and a 26-storey tower at the Yuen Ming Yuen Road corner, each tower being 94 feet square.

Chinese Boy Scouts and Girl Guides Solicit Famine Relief

Chinese schools throughout Shanghai closed Dec. 8 to enable an army of three thousand Boy Scouts and Girls Guides, to canvass for contributions for the relief of areas suffering from flood, famine, or Red invasion. The drive was initiated on December 1 by Gen. Wu Te-chen, Mayor of Greater Shanghai, who heads it. It will continue until January 1, and possibly even longer.

Bomb Thrown at Anti-Chen Mosquito Paper

The back door of the *Dah Chung Daily News*, a Chinese mosquito paper off Thibet road, Shanghai, was blown up, but all inmates escaped injuries, when a bomb, tossed into the door by an unknown person, exploded on the evening of Dec. 10. A series of articles written by the editor and published in the paper against Eugene Chen is believed to have been the motive.

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66 Executed Following Murder of Sergei Kirov

Following the murder on Dec. 1 of Sergei Kirov, described in the telegrams as a "member," but now ascertained to be an employee, of the Presidium of the Central Executive Committee, 66 persons, one a woman, were executed Dec. 6 for counter-revolutionary activities. Besides the executions, countless arrests were made on a charge of "organizing terroristic acts against officials of the Soviet government." Of the 66 who were executed 37 had been sentenced to death Dec. 1, by the court in Leningrad sitting in camera, on a charge of organizing acts of terrorism against officials. The 29 others were sentenced to death by the Supreme Military Court at Moscow on Dec. 1 on similar charges. It was the largest execution order carried out in a single day since the early days of the Revolution, when Red firing squads were busy wiping out the last vestiges of the old oligarchy. The property of those executed was confiscated and their families banished to Siberia.

A *Trans-Ocean* message of Dec. 6 stated that the Red wave of executions continued to sweep over Russia, eight persons having been executed by the OGPU on the night of Dec. 5 in the towns of Alma Ata and Samarkand, in conformity with the decision that no mercy should be shown to anyone who is guilty of a terrorist act against the Soviet Union. The executed persons were sentenced to death on November 21 on charges not connected with the Kirov assassination.

The body of the late M. Kirov was cremated. His asbes were placed in the walls of the Kremlin.

Soviet Criminal Code Altered

The Central Executive Committee of the USSR Dec. 5 passed a decree ordering the following alterations to be made in the Criminal Codes and Codes of Legal Procedure of republics forming the Soviet Union, in sections referring to investigation and trial of cases of terrorist organizations and terrorist acts directed against Soviet officials:

the preliminary investigation of such cases shall be completed within 10 days;

the indictment shall be handed to the accused 24 hours before the trial;

courts shall try such cases without prosecutors and counsel for defense;

no appeals against the sentence or appeals for pardon shall be permitted;

sentences of capital punishment shall be executed immediately after the verdict is pronounced.

⁂

"Siberia As It Is"

A long film entitled "Siberia As It Is" has been filmed at Irkutsk. The film contains views of lake Baikal, Olhov island, the former Alexander Central prison, which revolutionaries fighting against tsarism passed on their way into exile. The picture was taken with the active assistance of Mr. Schepin, who had spent five years in that prison.

⁂

Paris Told to Avoid Danger in Far East

A warning that France must not allow itself to be dragged into Far Eastern quarrels of the Soviet Union was voiced in the Chamber of Deputies by Adrien Dariac, floor leader of the Left Republicans Nov. 30. "Let us be careful," he declared, "not to make a Soviet-Japanese quarrel our own by becoming over-friendly with the Soviet Union. It would be imprudent of us to intervene in the Far East." He stressed, however, the military value of a Franco-Soviet alliance.

"The Soviets are especially important," the Deputy asserted, "because of their strength in military aviation."

Emperor Kangte to Visit Japan

In accordance with the arrangements made with the Imperial Household authorities of Japan by the Secretary of the Imperial Household Minister of Manchukuo, Emperor Kangte of Manchukuo will visit Japan next April, if possible with the Empress. The Emperor will sail from Dairen on board a Japanese warship, accompanied by about 100 officials, and after a stay of about 10 days in Tokyo he will proceed to Nikko, Hakone, Osaka and Nara on sight-seeing trips. He expects to return to Manchukuo in the early part of May.

Minami Formally Installed as Successor to Gen. Hishikari

General Jiro Minami, minister of war in 1931 when the Manchurian incident broke out, was formally installed Dec. 10 as commander-in-chief of the Kwantung army, Japanese ambassador to "Manchukuo" and governor-general of the Kwantung Leased Territory, in a ceremony presided over by Emperor Hirohito in the Phoenix Hall of the Imperial Palace. He succeeds General Taka Hishikari, incumbent, who is retiring on having reached the age-limit of 65 years.

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How many days of your life are lost in feeling badly? How many hours which might be bright are dull and dispirited?

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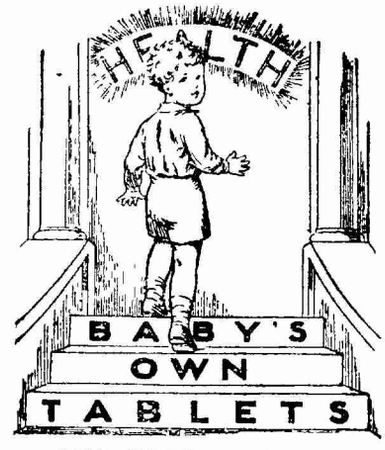

HIS FIRST STEPS.

The child's first months and years are usually the most difficult, especially if he is backward in development, lacks appetite, has irregular elimination, fails to gain weight as he should.

Often the conscientious mother is worried almost ill by these problems. Yet in many cases the solution is right at her hand if she but knew of it.

In Baby's Own Tablets innumerable mothers have found just what was wanted to start the backward little one right off on to the road of regular progress. The prescription of an eminent medical child-specialist, these Tablets quickly correct infantile stomach and bowel troubles, thus banishing constipation, aiding digestion, removing the causes of colic, vomiting, flatulence, diarrhoea.

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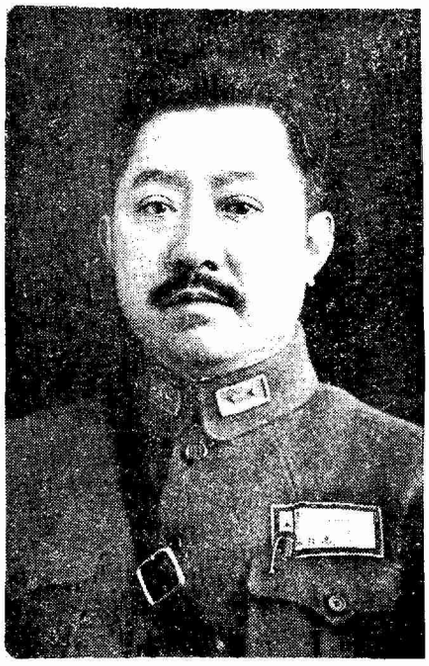
Who's Who in China

Gen. Kao Kwei-tze, Army officer; born at Ting Pien Hsien, Shensi, in 1891; was graduated from the Chiang Wu Tang or Military Academy of Shensi in 1931; after having served successively as a squad commander, battalion commander, and regimental commander, he became commander of the 3rd Brigade of the 2nd Kuominchun (People's Army) in 1924; was transfered as commander of the 5th Mixed Brigade of Yi Chun, 1926; in the same year, was promoted commander of the 8th Independent Division of the National Revolutionary Army; in 1927, was promoted commander of the 19th Army of the National Revolutionary Army; in 1928, was transfered commander of the 47th Army, which in the same year was reorganized as 133th Brigade of the National Revolutionary Army, he being concurrently vice-commander of the 45th Division; in 1929, transfered as commander of the 10th Independent Brigade of the National Revolutionary Army; in 1930, commander of the 19th Division, which in the same year was reorganized as the 33rd Army and later as the 11th Division; in 1931, appointed Garrison Commander of the 1st Division of the Cheng Tai Railway Defence Army; in November the same year, transfered as commander of the 84th Division, which post he now holds; he participated in the Northern Expedition of the Revolutionary Army and alao served in the defense of Jehol against the Japanese; Address, Headquarters of the 84th division, Sinhsiang, Honan; Permanent address, 59 Pao Tze Chieh, Peiping.



高桂滋字培五
General Kao Kwei-tze

高桂滋，字培五 ，年四十二歲，陝西定邊縣人，宣統二年高小畢業，民國元年入同盟會 ，民國二年在西安講武堂畢業，十四年入國民黨 ，民國六年充陝北鎮守使署騎兵連連長 ，八年充陝西靖國軍獨立步兵營營長 ，十三年升充國民第二軍第十補充團團長 ，是年升任第三補充旅旅長 ，十五年二月改委毅軍第五混成旅旅長 ，十五年十二月升任國民軍命軍獨立第八師師長 ，十六年升任國民革命軍第十九軍軍長 ，十七年一月改委國民革命軍第四十七軍軍長，是年北伐成功於十月 縮編改委 國民革命軍第一百三十三旅旅長兼四十五師副師長 ，十八年六月改編爲國民革命軍獨立第十旅旅長 ，十九年一月改編爲陸軍第十九師師長 ，旋復改爲陸軍第二十三軍軍長，是年縮編改任陸軍第十一師師長 ，二十年曾參加北伐諸戰役 及 抗日戰役，七月改編充任正太護路軍第一師師長，是年縮編改任陸軍第八十四師師長 ，現供斯職，通信地址：北平報子街五十九號。

Tientsin to Build New Bridge Across Haiho

Preliminary plans have been completed by the Tientsin Municipal Government for the construction of a new bridge spanning the Haiho. The funds for building will be appropriated from the tolls collected by the International Bridge, which links the French Concession and the Third Special Area. The projected bridge will connect the First and Third Special Areas, formerly the German and Russian Concessions, respectively.

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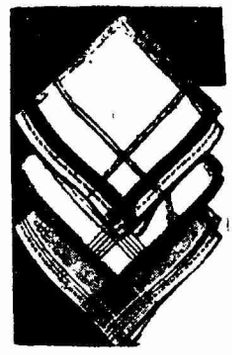

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Men and Events

Sir Frederick Maze is expected to arrive back Shanghai some time next month.

E. F. MacDonough, official representative of the Los Angeles Chamber of Commerce, is in Shanghai studying trade conditions.

Gen. Liu Wen-tao, recently appointed Chinese ambassador to Italy, departed from Shanghai for his diplomatic post in Italy on board the Italian liner *Conte Verde*, Dec. 11.

Mr. and Mrs. Reginald Sweetland, after spending a few days in Shanghai, returned to Japan this week prior to proceeding to the United States on furlough.

Julean Arnold, U. S. Commercial Attache, is on his way back to Shanghai after spending several months in the United States. He sailed from San Francisco Dec. 1.

Robert Haas, director of the transit and communications section of the League of Nations, will reach Shanghai on or about January 29. Wu Sao-fong, a member of the staff of the League secretarial staff, will assist Dr. Haas on his mission.

R. A. Berkov, an American newspaper man from Colorado, is a visitor to Shanghai. He expects to remain here for about two months and then proceed to Manila.

Claims totalling in excess of $7000 for commissions alleged to have been earned on property deals have been lodged by Lemuel K. Taylor against the China Finance Corporation in a suit entered in the United States Court for China.

A cabin boy was killed, two others were wounded and more than 20 passengers and members of the crew were carried away by pirates who boarded the *Tsin Haimen*, Ningpo-Wenchow coastal steamer, Dec. 7, and ransacked the vessel for 13 hours.

Dr. A. Shoemaker, well known owner of a Peiping rug factory bearing his name, arrived here during the week from a business trip to the Philippines. He expressed the opinion that the Japanese are gaining a strong foothold in the Islands.

The question of a residence in Nanking for the British Minister to China was brought before the House of Commons Dec. 6. Sir John Simon expressed the hope that the house occupied by the Consul-General in Nanking could be adapted for the use of the Minister.

Mrs. Lu, wife of a Shanghai Chinese physician and an adopted daughter of the late Dr. Yamei Kin, has been awarded the first-class medal by the Ministry of Education in recognition of her services to education. Dr. Yamei Kin died in Peiping last March.

Impressive scenes were witnessed in Canton, Dec. 10, when several hundred persons, including practically all newspapermen and Government representatives, attended a memorial service for Sze Liang-tsai, the late publisher of the *Shun Pao*, who was assassinated on the Shanghai-Hangchow highway on Nov. 13.

Sentence of five years was imposed by Judge Milton J. Helmick in the United States Court for China Dec 10 on Jack Pinyan, exboatswain's mate of the Dollar liner *President Lincoln*, who recently pleaded guilty to a charge of having committed an assault with a deadly weapon on Sergeant Joseph C. Stritzel of the Pootung Point River Police, following a brawl in Shanghai barroom.

The Shanghai Bureau of the Commission on Overseas Affairs was officially established Dec. 8 in the building of the Bank of Canton, Kiangse Road, the director of the bureau being Kan King-Iun. The main object of the bureau is to afford protection to overseas Chinese and to remove whatever misunderstanding that may arise or exist between the national government and Chinese residing abroad.

Lo Hsin-king, in charge of the consolidated tax bureau at Cheng-Chow, Honan province, and Chang Fang-nung, an assistant, have been arrested and are detained at the Ministry of Finance in Nanking on charges of misappropriation amounting to more than $100,000, according to information obtained. The arrests were made by the authorities of the Honan provincial government following an investigation.

Chinese Delegates Depart for Manila to Attend Education Conference

The first Oriental Conference on Higher Education will be held in Manila from December 19 to 22. The inauguration exercises of their new President, Dr. Bocobe, will also take place at that time.

The National Ministry of Education appointed Dr. Chiang Mon-lin, ex-minister of education, and President of Peiping University, and President H.C.E. Liu of the University of Shanghai, as delegates from China. They sailed from Shanghai for Manila on the s.s. *President Jefferson* December 12.

Japan Is Punctilious in Paying Debts in U. S.

Japan, with about $360,000,000 in bonds outstanding in the American market, has a 100 per cent record in the payment of her obligations to American investors, Harry W. Frantzer, writes in a special despatch to the *Japan Advertiser*. No instance has been officially reported of Japanese default either of principal or interest in any category of bonds. The estimated amount of Japanese bonds outstanding in the United States includes $151,000,000 in the national government, $40,000,000 in municipal issues, $52,000,000 for government-guaranteed corporations and $115,000,000 for private corporations.

These facts were obtained recently in authoritative sources after unofficial arguments over Japanese trade invasion in the Western Hemisphere had aroused general interest in the United States-Japan balance of international payments.

The majority of European financial powers are excluded from comparison with Japan in her financial record due to wholesale defaults on war debts.

Canada's debt service record is practically perfect, except for a few small issues of corporation bonds. Netherlands has paid in full except for arrears in a small amount of corporation bonds. Argentina has scrupulously fulfilled national governmental obligations, but some provincial issues are in arrears. Australia has not defaulted any issues, but once barely escaped a crisis through timely assistance from Great Britain.

Great Britain, France, and Italy have carefully conserved their financial prestige in the United States, apart from the matter of war debts which opinion in those countries regard as separate from other obligations.

Japan's 100 per cent debt record is regarded as particularly noteworthy because of the depreciation of the yen during the period of world depression, which made dollar settlements more expensive in terms of yen. Many of the Japanese obligations were incurred when the yen was worth about 49 cents in exchange. The yen early in 1933 was as low as 21 cents, but since dollar devaluation, it has risen to a present figure around 30 cents. Not only has Japan maintained interest and principal payments on her debts in the United States but some considerable retirements have been made. Last year about $13,000,000 in dollar bonds were retired, and two years ago, $24,000,000. Japan's strict attention to her foreign obligations is attributed to a determination to maintain her high credit abroad under all circumstances.

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"You're very interested in that stuffed bird," said the ornithologist.

"Yes," said the aviation expert. "I think its steering-gear infringes one of my patents."—*Des Moines Register.*

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New Books of Interest in the Far East

Chinese Village Life Faithfully Portrayed

Hundred Altars, by Juliet Bredon; Dodd, Mead and Company, New York, 1934. 336 *pages. Illuminated end pages.* $5.00, *Shanghai currency, locally.*

The work of Juliet Bredon is well known to readers of books on China. She has given us the standard interpretative guide to the "Northern Capital" in her memorable "Peking," while in "The Moon Year" she lays before us the festivals of the Chinese calender with their superstitions, rites, and ceremonies. A niece of Sir Robert Hart, the Father of the Chinese Maritime Customs, and daughter of his successor as head of the Customs, she has had the advantages of an enviable Oriental background as well as long residence in the land of which she writes.

"Hundred Altars" is a cleverly-written book. It is the story of a country village a few miles out of Peking. The author's strength lies in her descriptive powers. Action, character, analysis and plot are all secondary to pages of description throughout the book. And the descriptions are well done, drawn with as skilful a brush as was used by many an old Chinese artist when depicting the water and mountains of the Chinese landscape.

The tale opens with the entry of the merchant, Ma, into Hundred Altars, where he has to ask permission and gain acceptance by the village elders before he can live there as a resident. Village life and government are described. The Spring Feast of Ancestors shows the reverence given to the elders. The influential position of the old diviner and the slipping power of the village priest are both defined.

Sui Ching, the wife of the merchant Ma, makes a pilgrimage and prays for a son at a shrine where the goddess is supposed to be favorable to the petitions of the childless. Chi, the son of the Village Elder, has a third son, Little Dragon, born with no trouble at all. Good fortune attends this birth. The Chi family celebrates the Elder's eightieth birthday and the feast and attendant circumstances are given in detail.

Ma, the merchant, deeply stirred by his lack of an heir, decides to take a concubine as he *must* have a son, and Sui Ching, his wife, is obliged to find a "Minor Star" for him. The concubine's arrival is described.

An interlude now tells of a village tragedy. One of the old women of the community abuses her daughter-in-law until the young woman hangs herself out of spite. Her suicide destroys the mother-in-law's "face" and brings upon her the censure of the whole village.

New Year and its festivities, as celebrated in Hundred Altars, are well described. Ma, the merchant, has a daughter, Swallow, borne by his concubine. Great is his disappointment at finding the child a girl. His envy toward his neighbor, Chi, with three sons, grows apace. He is especially envious of Chi's youngest son, Little Dragon, on whom the gods seem to smile.... The childhood of this Little Dragon is described. To cap the climax of felicity, when Chi's child, at the proper age, is offered a tray with various symbolic objects, he chooses ink-slab and pen, the symbols of learning. Good fortune seems to attend Chi on every hand.

Ma now sees no hope for offspring and decides to adopt a son. He takes a promising child from a caravan leader's family, and makes the boy, Young Tiger, his heir. Chi's son, Little Dragon, goes to an old-fashioned Chinese school (all the village can boast) and learns the classics by the ancient repetitional method. Ma's adopted boy is stupid at his books, but is a leader because of his strength and determination.

Elder Chi dies. His funeral with all its rites and their expenses is described in detail.

Young Tiger, Ma's adopted son, is wayward and difficult, even casting his eyes on the concubine of his benefactor and adoptive father. Ma is filled with anger, which diverts itself toward his neighbor, Chi, when he discovers that the latter has told this scandal in the Ma family to the other villagers. Ma's loss of "face" rankles in his heart. He does not go to Chi to reprove him or to discuss the growing ill feeling between them, but he takes an oblique (and Oriental) revenge by writing an anonymous letter to the needy widow of Chi's brother, telling her of the prosperity of the Chi family at Hundred Altars. This news causes Snow Peach, the widow, and her three ungainly daughters to descend upon their relatives in Hundred Altars, claiming bed and board as they have every right to do. Chi is frantic and his wife the same, but they are helpess before the claims of family ties, and Chi well understands to whom he is indebted for this addition to his dependents. The silent enmity of the two neighbors is well described.

Ma now decides to get Young Tiger out of the village so he apprentices him to a Peking merchant named Hu.

Chi's eldest son is married amid rejoicing and lavish expenditure. There is a village procession to beg rain from the gods. Many feel it will help the drought, but Ma thinks it worthless. Since

his wife's prayers brought no son he is unbelieving in any aid from the gods. There are rumors of revolution, reform, and banditry. Ma goes to Peking to his friend Hu, discovering there that his adopted son, Young Tiger, has run off to become a soldier.

Chi, taking fright at the alarming rumors circulating in the country-side, sets off from Hundred Altars with his family in loaded carts. They plan to go to Peking for safety, and as they leave take Sui Ching, Ma's wife, his concubine and her small daughter with them. For this neighborly kindness Ma introduces Chi to the merchant Hu in one of whose Peking courtyards the Chi family remains during the winter of unrest following the outbreak of the Revolution in 1911.

Young Tiger, Ma's adopted son, is wounded in a brawl and dies. As exiles in Peking Chi and Ma lose their ill-will toward each other and Ma begins to dream of taking Little Dragon for his concubine's daughter, Swallow. If he can thus adopt Chi's son he will gain an heir as well as a husband for Swallow, his only child. This plan is worked out. Ma takes Little Dragon, promises to educate him (which Chi lacks funds to do) and loans money to Chi for buying supplies and rebuilding his home in Hundred Altars, which has been almost destroyed by fire and looting at the hands of bandits.

Another interlude describes how the daughter of Snow Peach of the Chi family marries a dead man and adopts a young son to carry on the name for the dead one's family, thus insuring care of the man's grave and worship of his spirit.

The merchant Ma now moves to Tientsin and becomes wealthy and influential. He educates Little Dragon and Swallow according to the new educational system then becoming popular in China. Their modern ideas shock Sui Ching and the "Minor Star." The growth of a modernistic layer of education and sophistication leading toward a changing social order is described. Ma marries Little Dragon to his daughter, Swallow, in due time, and in the final chapter the two young people return to the village, Hundred Altars, where Little Dragon is to head the business house of his new father, Ma.

The whole story contains much Chinese life. It is a faithful village picture, able to hold the reader's interest and to instruct him as it does so. A comparison between Pearl Buck's "Good Earth" and this book is inevitable. While one is reading "Hundred Altars" one is not struck by its being simply a series of Chinese events described separately yet strung like beads upon the single thread of a village narrative. But after reading the book one can look back and see this. The cleverness of the author lies in being able to manage so unified a story out of these descriptions of various village happenings, each typical in its way. The characters and events of "Hundred Altars" are all plausible Chinese characters and events. The book concerns a class of Chinese slightly higher in the social scale than those we meet in "The Good Earth". There is less stark poverty, more refinement in living. "Hundred Altars" is therefore less raw than "The Good Earth" in its touch with life. "Hundred Altars" is typical and Chinese; "The Good Earth" is elemental and universal. Various people, preferring plausibility to realism and local touches to the wider appeal of the elemental will choose "Hundred Altars" before "The Good Earth". That is for the individual reader to decide.

"Hundred Altars" *is* Chinese and it is well done. We are indebted to Juliet Bredon for a village picture which we shall not soon forget.

December 4, 1934. G. B. S.

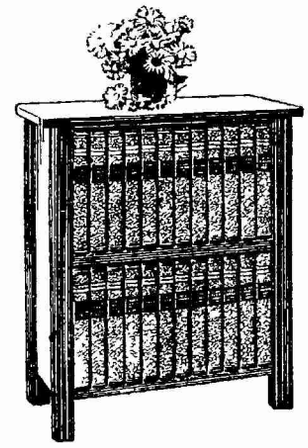
Japanese Say Agreement With N. E. I. Is in Sight

The long drawn out negotiations between the Netherlands Indies and the Japanese Government delegations in Batavia now bid fair to be brought to a successful conclusion within the year. According to the *Mainichi*, the view is finding expression in Government quarters that if the negotiations progress smoothly, agreement will be reached within the year, at last on the basic principle. It is stated that the Netherlands Indies Government has already made a gesture to the Japanese delegation through Mr. Geldern, and to the Tokyo Foreign Office through General Pabst, the Netherlands Minister to Tokyo, whereby if Japan agree to buy a substantial quantity of sugar, it is ready to make concessions so as to settle the whole matter immediately.

"Grape Juice Festival at Buenos Aires"

(*From the Japan Chronicle*)

It has often been remarked that when something has been translated into Japanese and back again into English, the second English version is always very different from the first. It is not merely that words do not exactly correspond in meaning, but that the whole tradition and habit of thought differ profoundly. An unusually fine example recently came to notice. A Japanese message about the Eucharistic Congress, on being translated into English, became the "grape-juice festival at Buenos Aires," and on the translation being called in question, it was shown to be according to the dictionary! No irreverence was intended: it was merely our old friend "the language difficulty."



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CUSTOMS NOTIFICATION No. 1406

The public is hereby notified that, in accordance with Government instructions, export duty on firewood exported abroad will temporarily be levied at the *ad valorem* rate of 5 per cent. in cases where the specific rate provided in Tariff heading No. 152, St. $0.10 per 100 kilogrammes, exceeds 5 per cent. *ad valorem*.

The levy of duty on coastwise shipments in accordance with the Interport Tariff will remain unchanged.

The above ruling is to take effect as from the 1st December, 1934.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 10th December, 1934.

CUSTOMS NOTIFICATION No. 1407

The public is hereby notified that in accordance with Government instructions coastwise movements of wireless materials and apparatus must in future be covered by an Interport Certificate (轉口憑證). The issue of these certificates will be undertaken by local telegraph offices or, in the case of wireless apparatus for military use, by the Chiao-t'ung Pu.

Such articles will accordingly be passed, when transhipped or re-exported coastwise, only if covered by the necessary certificate, in the absence of which the consignment will be detained and, unless the certificate is forthcoming after the lapse of a reasonable period of time, will be confiscated.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 10th December, 1934.

CUSTOMS NOTIFICATION NO. 1408

The public is hereby notified that, in accordance with Government instructions, passengers travelling coastwise within China will in future be permitted to carry with them a maximum of one thousand silver dollars. Should this maximum be exceeded, the whole will be liable to confiscation.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 11th December, 1934.

CUSTOMS NOTIFICATION No. 1409

The public is hereby notified that in accordance with Government instructions all importations into China of used postage stamps, whether Chinese or foreign, will be exempted from import duty as from the 3rd December, 1934.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 11th December, 1934.

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The National City Bank of New York, Rates of Exchange

Shanghai, Dec. 12, 1934

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